

Tories claim Labour has peaked

Major pressed to delay election until next year

By ROBIN OAKLEY, POLITICAL EDITOR

MINISTERS were yesterday pressing John Major to delay calling a general election until next spring after the bruising the Conservatives suffered in council polls on Thursday night.

The party lost twice as many seats as expected, surrendering control of more than 40 councils, while Labour made great progress in the Tory heartlands of southern England. The Liberal Democrats surprised everyone with widespread gains that left them running more authorities than they have done for a quarter of a century.

By	Lab	L/Dem	C	NOC
From	6	8	-	34
Lab	-	1	-	4
L/Dem	12	9	5	-
NOC	-	-	-	-

(No overall control)

ment will still be high. Mr. Kinnock said that Mr Major should not keep Britain in suspense until 1992.

With the results in for all 369 district councils affected by the vote on Thursday, a Press Association survey showed that the Conservatives had made a net loss of 890 seats. The Liberal Democrats had made a net gain of 520 seats and Labour 490. If the parties' share of the vote were repeated uniformly at a general election, there would be a hung parliament.

Mr Major yesterday described the results as disappointing, but bearable. He said in a television interview that there was a silver lining: Labour had peaked and could not win a general election. Labour should have had a commanding lead when the country was "bumping on at the bottom of a recession. We are on an upswing and I think they have peaked." He added that he was in no hurry to go to the country.

Ministers concede that the public requires more convincing that the economy is on the turn before an election can be called, but they are also emphasising the degree of the Tory recovery since Labour's 20-point opinion poll leads a year ago. They point out that many Conservatives in the Commons today would not be there had centre parties proved capable of repeating local votes in general elections.

Michael Heseltine, Chris Patten and David Mellor also maintained that Labour had not made sufficient progress in Thursday's vote to develop an election-winning momentum. Mr Patten said: "They've blown it."

But Labour claimed to have exceeded its best hopes and to be on target for election victory. The party's campaign co-ordinator, Jack Cunningham, produced an analysis of 87 "battleground" marginal seats in which the share of the vote was Labour 43 per cent, Conservatives 37 per cent and Liberal Democrats 17 per cent, giving Labour a six-point lead. Dr Cunningham said that nationally, there was an 8 per cent swing from Conservative to Labour. That would be sufficient to put Mr Kinnock into Downing Street

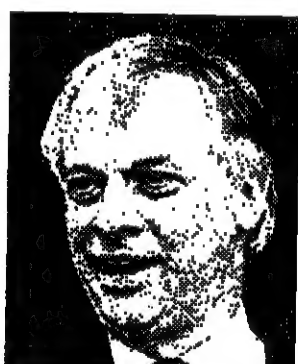
with a governing majority. The party went on to claim that the council results put them neck-and-neck with the Tories for the Monmouth by-election on May 16, the next key test of electoral opinion.

The Tories also offered an analysis of key marginals, which they said suggested a national share of the vote of Conservatives 38 per cent, Labour 37 and Liberal Democrats 20. They pointed out that their share in a general election had always improved on their performance in local polls, and also took solace from their three-point lead in the BBC Newsnight programme's poll of polls, an average of recent opinion polls. In 1987, opinion polls proved a more accurate guide to the subsequent general election than the share of the vote won in local elections.

Paddy Ashdown, the Liberal Democrat leader, claimed the results as a stunning achievement for his party. Labour was back to the level it was before the 1983 election, in which it did disastrously, he said.

Labour's Bryan Gould dismissed the centre party success as no more than a "good old Liberal surge" causing problems in the Tory backyard that would have little effect on Labour's chances. But as late results came in yesterday, the Liberal Democrats continued their run of success, gaining more seats than Labour and capturing control of more councils. They now have a total of 20. In Wales, the Field Cymru MP Dafydd Wigley claimed that the results were the best for his party since 1976, with 16 net gains. Stuart Hughes, leader of the Raveng Loony Green Giant Party, was elected as the first Loony district councillor in Britain, polling 865 votes to take a seat on East Devon council.

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Ivor Crewe analysis, page 5
Leading article, page 9



Chris Patten: Labour "have blown it"

£2m rugby scheme

By JOHN GOODBODY, SPORTS NEWS CORRESPONDENT

THE England Rugby Union team yesterday intercepted any potential outside commercial interest in the promotion of their sport by announcing a £2 million scheme to encourage participation among young people, including national advertising.

The full committee of the Rugby Football Union, the governing body, has given its approval "in principle" to the move, which could, it is estimated, help the England players earn about £10,000 each over the next year from non-rugby related activities without contravening the international regulation forbidding payment for playing.

Full report, page 36

Champagne society begins to lose its fizz

By ROBIN YOUNG

THOSE who believe that the only true gauge of a nation's economic wellbeing lies in its consumption of champagne were wont to revel in the fact that champagne sales in Britain doubled during the Thatcher years.

The advent of John Major has changed that. British imports of champagne crashed by more than half in the first three months of this year, the first full quarter with Mr Major in the role of national bartender.

In the first quarter of 1990, shipments to the United Kingdom exceeded 4.2 million bottles. This year the quarterly figure fell so flat it barely reached two million. To put it starkly, that means nearly 24 million champagne events are destined not to happen. The Champagne Bureau, which represents the champagne industry in Britain, does not, of

course, lay the blame at Mr Major's door, unblubbly denizen of the Happy Eater and champion of the classless society though he be.

Recession and the Gulf war, inevitably, are called to account. Penny Bool of the Champagne Bureau said yesterday: "Champagne is the wine of celebration and people were not celebrating while our boys were out in the Gulf."

She admitted, though, that shipment figures could be deceptive. They are not usually issued on a quarterly basis. "It is just that the first three months of this year were so highly unusual in world economic and combative terms," she said, "that it had an extraordinary effect on almost all of champagne's major markets."

Indeed, it is not only the British who are easing up on their cork-popping habits. Even the French ordered an

eight less in the first three months of this year than they did last year.

For the past decade Britain has been the biggest export market for champagne, save in 1981 and 1984 when our shipments were marginally smaller than those to the United States. Now the United States, which had slipped to third place, is on course to head the league once more. That is because in the first quarter of 1991 US shipments did no worse than continue to decline at the rate they had done in 1990 - just over 14 per cent.

By contrast the Swiss, who had risen to second place, have suffered a cut almost as severe as Britain's. The only big customers to buy more champagne this year have been the Germans. In their newly unified state they treated themselves to nearly an extra 3 per cent.

Food and wine: Review, pages 32-35



After the cyclone: Bangladeshis clutching their children as they make their way to dry land near Katabdia yesterday

Motorists defy the forecasts

By STAFF REPORTERS

THOUSANDS of drivers headed into the sunset last night at the start of the bank holiday weekend, causing delays on most motorways heading out of London and almost certainly heading for more. There will certainly be hold-ups on the Severn Bridge, and in Scotland both the Forth and Tay road bridges will have lane closures for repair work.

The sunny weather that heralded the weekend is unlikely to last. The London Weather Centre has forecast cold winds and patchy showers, giving way to much heavier rain.

More than a hundred supermarkets and DIY outlets vowed to open tomorrow after a victory in the High Court yesterday. Mr Justice Knox lifted injunctions on Woolworths stores in Plymouth, Milton Keynes, Norwich, Southend-on-Sea, Coventry, Greenwich and Rotherham. B&Q and the Co-op were also released from a ban on their stores in Exeter.

B&Q's challenge to the Sunday trading laws is due to be heard later this month in the House of Lords.

Holiday events, pages 12-13
Weather forecast, page 20

Cyclone havoc swamps Dhaka's valiant efforts

FROM CHRISTOPHER THOMAS IN PATENGA, SOUTHERN BANGLADESH

THE relief effort under way in southern Bangladesh is pitifully inadequate. As 10-million homeless people waited in rain and wind-lashed surroundings, it was clear that help was going to take a long time to reach them. Starvation and disease are imminent in the worsening conditions.

The government officially estimated the death toll from Tuesday's cyclone at more than 100,000, with 60,000 of the victims around Chittagong in the southeast of the country. The figure may rise substantially when relief workers reach offshore islands which, viewed from the air, have been stripped bare of trees, houses and crops.

Two small Russian-made Antonov transport planes are all that Bangladesh possesses to ferry food from Dhaka, the capital, to Chittagong, where yesterday only two helicopters - a small American-made Bell and a bigger Russian-made Mi8 - made sporadic trips to offshore islands.

They could find almost nowhere to land, so relief workers tossed out bread

wrapped in plastic bags into the mud. They dropped one-gallon plastic containers of fresh water, which invariably burst on landing and created a frantic dash by islanders to retrieve what there was left.

Whenever the helicopters did attempt to land, people surged forward and the pilot immediately took off for fear of being mobbed by hungry, thirsty people desperate to escape to the mainland. Corpses could be seen floating in lakes of seawater and rotting animal carcasses lay everywhere.

The two transport planes plied between Chittagong and Dhaka - a 40-minute flight - carrying five-ton loads of rice, water, molasses and water purification tablets. The weather worsened yesterday afternoon at Chittagong airport, and forced a suspension of flights. The crews were so exhausted that Air Vice-Marshal Mumtaz Uddin Ahmed, the chief of the air staff, took stints piloting a plane.

The only runway at Chittagong has suffered cracks from a tidal wave that had submerged it below 15 feet of salt water. Forty Chinese-made F6 supersonic fighters, which were grounded for repairs, were dumped some of the planes practically on top of each other.

Bangladesh's valiant but plainly hopeless relief effort will continue until an international rescue operation is mounted. Hundreds of thousands of tons of food, clothing, water, tents and medicines are

needed. The cyclone reduced almost the entire 500-mile coastal belt to rubble. As of last night, one Saudi Arabian plane had arrived with emergency supplies, and two more were said to be on the way. Army helicopters - Bangladesh has a total of 14 and not all are operational - have been dropping tens of thousands of supplies.

Continued on page 20, col 3

Leading article, page 9

Belgian bargains for the British car buyer

British consumers could buy new cars cheaply and have fun at a 'sales theme park' in Belgium, Kevin Eason writes

Car-buyers who believe British prices are too high are to be offered day trips to a £60-million "retail and theme park" in Belgium, where prices are among the lowest in Europe.

A British consortium aims to have all main brands of cars - left and right-hand drive - under one roof at the 60-acre site at Tournai. Customers will be able to test drive cars and drive the car away after completing the paperwork.

Prices will be much lower than in Britain. Belgium exercises tight price controls over cars. A basic Ford Fiesta 1.1 litre model has a pre-tax sticker price at the moment of £4,006, compared with £5,084 in Britain. Anthony Brown, chairman of John D. Wood, international property consultants, said that the theme park plan was hatched by a group of businessmen who were "motoring literate" and were fed up with paying higher prices.

The Monopolies and Mergers Commission will rule in August whether British car prices are too high. The commission is expected to back consumer groups who claim that showrooms in Britain charge up to 50 per cent more than other European Community markets. The consortium is aiming to have as many showrooms operational within two years. Mr Brown said that manufacturers have expressed interest in the idea. There will also be a motoring museum and a motoring theme park with attractions such as racing car simulators.

Tournai stands in an ideal position on the Belgian-French border, at the junction of the autoroutes from the Channel ports, Brussels, Antwerp, Paris and Germany and near the main Lille railway station.

Planning permission has been given for the first phase of the Motorventure scheme

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TODAY IN THE TIMES

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Margaret Thatcher's name will be remembered, Matthew Parris says, even by people who cannot remember their own Page 8

CONTROVERSY

Robert Venturi is the architect behind the National Gallery extension - described as "illiterate" and "a gust of wit" on Page 8

PEOPLE

Sandie Shaw had a happy childhood, a good voice, an early break into show business and three number one hits in the Sixties Saturday Review

INSIDE

Search delay

Police yesterday defended the time taken to find the body of Rachel McLean under the floor of her lodgings 18 days after she went missing. Page 3

Refugee hope

United Nations officials hope that most Kurdish refugees will have left temporary camps for the "safe havens" by next month. Page 7

Dearer parcels

Royal Mail Parcelforce is to raise prices to retail customers by 25.9 per cent. Page 22

The Times

We apologise to readers who have not received their usual copy of The Times. This has been due to temporary difficulties caused by a change to new web offset printing.

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FOOD AND WINE: REVIEW, PAGES 32-35

Doctors told to bar NHS deals that back queue-jumping

By JILL SHERMAN, SOCIAL SERVICES CORRESPONDENT

HOSPITAL consultants have been told to block two-tier deals in the health service which allow patients to jump waiting lists.

The British Medical Association appealed to the country's 17,000 consultants yesterday not to co-operate with deals in which GP fund holders have demanded preferential treatment for their patients. Timing of operations should be decided on the basis of clinical priority alone, the association said.

The move came as Labour demanded a Commons statement on the health service after reports that a Hertfordshire hospital was allowing certain patients to queue jump. Earlier the technical and scientific union MSF launched a national campaign to fight compulsory redundancies flowing from the reforms. Standing on the steps of Guy's hospital, where 600 job losses were announced last week, union representatives said that strike action could not be ruled out.

Watford general hospital

has drawn up contracts with two fund-holding practices in Hertfordshire pledging to see patients for an outpatient appointment within six weeks and to admit them for treatment within 13 weeks. Patients referred from other GPs in the area have to wait an average of 20 weeks for treatment.

Consultants at Watford have been told that the hospital can afford to reopen closed wards in the surgical unit only if it agrees to the deal from the two practices. About 70 surgical beds have been closed in the past two years, effectively restricting admissions to emergencies only.

Managers at the hospital, admitting that they have introduced a two-tier service, have given a warning that if they lose patients from the two practices to other hospitals they will lose £1.5 million worth of business and have to cut services back further.

Peter O'Connor, a GP fund holder whose practice in Rickmansworth has drawn up an £800,000 contract with

Watford General, said that if the hospital reneged on the contract terms he would send his patients elsewhere. The practice has secured similar terms with Northwick Park hospital, Harrow, he said.

Bob Mackenney, consultant orthopaedic surgeon at Watford General, said that he and his colleagues had been put in an impossible situation. They had been asked to condone a deal which was unethical and unjustifiable. "However, if I take a patient where the fund holder pays and the money allows me to treat two more, then I have to accept it."

Simon Cox, consultant general surgeon, said he would refuse to co-operate with the deal. Patients would be treated on clinical judgment alone, he said.

Barbara Jeffs, consumer affairs manager, admitted that at present the hospital would not be able to fulfil the contracts it had drawn up with GPs because of bed shortages. The hospital was trying to get some money set aside to tackle waiting lists.



Model justice: Lord Mackay of Clashfern, the Lord Chancellor, peering over the shoulder of an ancient colleague yesterday at the re-enactment of a trial at the 18th-century courthouse at Cromarty, Highland, which has been restored as a museum. At the formal opening Lord Mackay joined animated model figures depicting the trial of Anne Hossack, who was accused of stealing flax and hemp 200 years ago. The centrepiece of the display shows her being sentenced to seven years' exile.

Britons' longer working lives

By TIM JONES

BRITISH men work about 10,000 hours, or nearly six years, more than than French men, mainly because of differences in retirement ages, according to a report to be published next week.

The report, by Industrial Relations Services, shows that employees in the UK are in the bottom half of the European league table in terms of hours of work and paid holidays. The report says British workers also have one of the lowest levels of statutory protection in areas such as night work, rest periods and weekend work.

With chemical industry unions threatening a series of strikes after the refusal of employers to reduce hours, the survey shows the Danes, on 37 hours, have the shortest working week, and the UK, on 38.5 hours, in eighth place.

The findings will increase the determination of the Amalgamated Engineering Union to achieve a 35-hour week for its members. Its two-year campaign resulted in 1,425 agreements, covering more than 600,000 workers, reducing the working week from 39 to 37 hours.

Deducting paid annual leave and public holidays, a "normal" British employee works 229 days a year, with only the Irish, on 231 days, working more. The shortest year, 220 days, is worked by the West Germans.

The British also do badly when it comes to public holidays, with just eight days off in England and Wales, the lowest in the EC. Workers in Belgium enjoy 13.5 days off.

Figures for the number of normal hours worked a year show the Danes spend least time at work, 1,665 hours compared with the Swiss, who put in 1,907 hours. The UK is tenth on 1,763 hours.

Of the 17 countries examined, only the UK and Denmark place no statutory restrictions on the normal number of hours a person can be asked to work each week.

Paisley sets out conditions for talks

THE Rev Ian Paisley, leader of the Democratic Unionist party, yesterday indicated the conditions he considers must be met if the talks on the political future of Northern Ireland are to succeed (Tim Jones writes).

As part of the process, which will continue next Tuesday when all the constitutional political parties sit down together for the first time in 16 years, Mr Paisley and James Moynihan, leader of the Ulster Unionist party, met Peter Brooke, secretary of state for the province.

Mr Paisley said he wanted to achieve from the ten weeks of negotiations an ending of the Anglo-Irish agreement and a commitment from Dublin that the republic would drop its constitutional claim over Northern Ireland. "Unionist leaders dare not flinch from their responsibilities." The people of Northern Ireland must be given the final say on how they want to be governed and any new structures that the politicians may agree.

Mr Brooke met the SDLP and Alliance parties on Tuesday to hear their views. The Dublin government is expected to be brought in by mid-June to discuss relations between north and south and between London and Dublin.

1,000 TV licence dodgers a day

Television licence dodgers are being tracked down at a record rate of more than 1,000 a day, the Post Office said yesterday. A total of 373,000 were discovered in the past 12 months — 50,000 more than the previous year's record figure. It is estimated, however, that 1.8 million households are still watching television without a licence. The licence costs £77 for a colour set or £25 for a black-and-white one.

Spending ideas

Public spending increases on politically sensitive items such as health and education were signalled yesterday by David Mellor, chief secretary to the Treasury. A day after he briefed the cabinet on the nation's finances, Mr Mellor said that the events of the past decade showed that it was possible to increase dramatically spending on key budgets while keeping a firm grip on overall public expenditure.

Curriculum cost

Government grants available to state schools for training and special projects to meet the needs of the national curriculum have risen by only £13 million, well below the rate of inflation. Local authorities will be able to seek a share of £377 million in 1992-3, up from £364 million in 1991-2. Kenneth Clarke, the education secretary, said yesterday that £14 million would be available for teacher appraisal.

Rate fails to move houses

HOUSE price figures for April, showing marginal variations from the March levels, provide no evidence of any recovery despite interest rate reductions since last October and an increase in the volume of mortgage lending (Christopher Warman writes).

The Halifax Building Society, in its monthly survey published yesterday, says that prices increased slightly, by 0.2 per cent, in April compared with a monthly rise of 0.9 per cent in March, leaving the annual rate of house price inflation at 1.1 per cent. There has been some evidence of a recovery in activity but this is not feeding through to house prices.

Revenge of the tail-less rabbits

By KERRY GILL

RABBITS have not had an easy time on Shetland. They have been eaten, infected with disease, bombed by the Nazis and are now being hunted for bounty. But it appears that they are fighting back.

For the past 12 months the islands' council has been trying to curb the rabbit population by offering 25p for every tail that hunters can produce. The scheme has led to the death of more than 11,000 rabbits and has saved acres of grass, cabbages and turnips from their voracious appetite.

In the past few weeks, however, a mutant strain of rabbit has appeared in the south of Shetland with no tail. No tail, no cash.

No one knows how the mutant, tail-less rabbits evolved. The adaptation emerged as the council approved the bounty scheme for another year. The problem will be worsened by a four-month ban on hunting the animals, ending in September, which was introduced to avoid does being shot and leaving sucklings in starvation.

Yesterday, Harold Sutherland, who has bagged between 500 and 600 rabbits, told of his surprise at finding the mutants. "I found that five or six rabbits I had shot had no tail at all. Others must have discovered the same thing. We have had myxomatosis on Shetland but after about four or five years the population started to grow again. By the end of the

close season there will be at least four times the rabbits."

With each cartridge costing about 12p, Mr Sutherland can make a decent profit on his pastime. One of his friends, who has used a 22 rifle to shoot about 1,000 rabbits, has made an even greater profit as his bullets cost only about 2p each.

"The bounty is expected to go up to 35p, as long as we have a tail to prove they have been shot. Without a tail I am not sure we'll do," Mr Sutherland said.

The biological hiccup might have been in gestation since the rabbits' rudest shock of all, when some of their ancestors became the first British casualties of Nazi bombing at the start of the second world war.

The Germans attacked the old Catalina flying boat base at Sullom Voe. Afterwards it was found that three rabbits grazing nearby had died in the attack. The incident was made famous by the wartime song *Run, rabbit, run, rabbit, run, run*. The song has found renewed popularity on Shetland.

Deborah Nickson, of Glasgow's veterinary school, said: "This is the first time that I have heard of a rabbit without a tail, but I don't see why they shouldn't exist. The Manx cat, with no tail, evolved, and there is a Japanese cat with almost no tail." Martin Gibbons, assistant curator of Edinburgh zoo, said he might add a couple of the rabbits to the zoo collection.

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Friends who shared house with Rachel McLean express their shock

Police defend time taken to find body of Oxford student

By STEWART TENDLER, CRIME CORRESPONDENT

ONE of Britain's most senior Home Office pathologists yesterday began a post-mortem examination on Rachel McLean, the Oxford undergraduate whose body was found hidden beneath the floor of her lodgings on Thursday, 18 days after she had gone missing.

Dr Ian West, who has been involved in investigating serious terrorist incidents and other celebrated cases, began the examination as Miss McLean's boyfriend, John Tanner, was taken from Nottingham to Oxford's main police station.

Mr Tanner, aged 22, a New Zealand student at Nottingham university, was to be interviewed by Det Supt John Bound, who is in charge of the case. Mr Tanner was arrested on Thursday evening after police began stripping Miss McLean's home in Argyle Street, in the Cowley area of Oxford, and discovered the body.

Yesterday, Thames Valley police defended the time taken to find the body of Miss McLean, who was missing since April 15. The force said criticisms were not justified. In a brief statement the force said the case was most unusual and "in some ways unique, and when all the facts become known the exceptional circumstances will be very apparent".

Miss McLean, aged 19, was last heard of by her family on April 14 when she telephoned a relative from Oxford. The next day, according to Mr Tanner, he left the city by train to return to Nottingham and was seen off by Miss McLean. As they were waiting for the train the couple were joined by another man who appeared to know Miss McLean and offered her a lift.

Clothing Miss McLean was said to be wearing was later found in her room. There was no other sign of her and the window had been left open. Miss McLean's disappearance, reported on April 20, was at first treated as a missing person incident. On April 25, Mr Bound took over and police called at every house in Argyle Street and began a search of the area.



Rachel McLean: not sure about settling down

When I took her back to college, two days before she went missing, she said she was very fond of him but that she was not sure about settling down," Mrs McLean added.

"She was fond of him and I respected her choice in that sense but I felt that until I knew him an awful lot better I couldn't commit myself one way or the other."

At St Hilda's in Oxford, Miss McLean's college, flags were flown at half-mast and Elizabeth Llewellyn-Smith, the principal, planned a meeting of all undergraduates. The college is likely to hold a memorial service later.

In a statement Miss Llewellyn-Smith said: "The college is shocked and saddened by the news of Rachel's death and the distressing circumstances. Rachel was a lovely person, a real contributor. The college will miss her very much indeed. Our hearts go out to her parents and friends."

The four students who shared the house with Miss McLean left before the police search began and were reported to be distressed by the time taken to find the body. Sarah Heaume, aged 19, Jo Formby, 20, Margaret Smith, 20, and Victoria Clare, 20, have left Oxford for the time being and are said to have decided they will not return to the house. They are all second-year history students and have left Oxford to recover.

They stayed at St Hilda's on Thursday night, where they told friends of the discovery of the body. One student, who refused to be named, said: "The girls were just in a daze. They were struggling to come to terms with the fact they had been in the house for all that time with Rachel's body. It will take them some time for them to recover. We all feel for them very deeply."



Jo Formby, Margaret Smith and Sarah Heaume outside the house they shared with Miss McLean

Plastic pancreas could give hope to diabetics

By NICK NUTTALL, TECHNOLOGY CORRESPONDENT

A PERMANENT treatment could be on the way for Britain's more than one million diabetes victims after successful trials of an artificial pancreas.

The disc-shaped plastic device has successfully regulated the blood sugar levels of diabetic laboratory animals, keeping them healthy for over five months without the need for injections.

Researchers expect human trials to begin in two years, with the two-ounce device possibly approved for use by 1996. More than 250,000 of Britain's diabetics take daily injections to stay alive.

The disease is caused by the body's immune system turning on cells in the pancreas called the islets of Langerhans, which produce insulin in response to rising blood sugar levels.

British scientists have transplanted human islets into the livers of laboratory animals, with promising results. But this technique requires the use of drugs to suppress the body's defence systems.

In the new device, an advanced membrane lets blood molecules into a chamber to nourish dog or cattle islet cells held inside. Those produce insulin, in direct response to sugar levels, which is discharged back into the blood. The membrane restricts the passage of the immune defence cells, which would swiftly destroy the alien islet cells.

"Since the membrane blocks the possibility of immune rejection, we can use animal islets in humans," said Dr William Chick, of BioHybrid Technologies, a company based in Shrewsbury, Massachusetts, who have co-developed the device.

The plastic pancreas has been undergoing trials at Harvard University Medical School. Details of the research were published yesterday in the journal *Science*.

Surgeons expect the artificial organ to be implanted under the skin of the lower abdomen, where it would be attached to an artery and a vein.

Safety chiefs to launch enquiry into train deaths

An average of 17 people die each year falling from moving trains, and the government has ordered an enquiry into why train doors burst open, David Young reports

THE government has ordered an independent investigation into why doors on InterCity trains travelling at high speed have burst open, causing the deaths of several passengers over the years.

The enquiry has been ordered after the death on Sunday of a man aged 22, who fell from a Euston to Glasgow InterCity express shortly after it left Nuneaton in Warwickshire. The train was heading for Tamworth in Staffordshire, where there have been a number of similar incidents in the past few years.

Between 1972 and last year, 324 people were killed falling from moving trains, an average of 17 a year, and relatives have been pressing for a formal investigation.

The Health and Safety Executive's railway inspectorate will carry out the investigation, and the findings will be made public before the end of the year. Government scientists at Harwell, Oxfordshire, who used a computer model to investigate the cause of the King's Cross underground fire three years ago, will help the inspectorate.

Dr John Cullen, chairman of the Health and Safety Commission, which called for the investigation, said: "Whether or not the door mechanisms are contributing to these accidents, it is clearly necessary to get to the bottom of the matter and allay public anxiety."

Dr Cullen said that Malcolm Rifkind, the transport secretary, had expressed concern over the accidents. "I shall be reporting to him the executive's findings and the commission's views. British Rail have told us they are as anxious as we are that a thorough and independent investigation should be carried out," Dr Cullen said.

British Rail said yesterday that it welcomed the enquiry and emphasised that Knight Wendling, engineering consultants, had "validated" the design, installation and maintenance of the door mechanisms. The consultants' report also made seven recommendations for action or investigation.

BR said that it had made "significant progress" in implementing five of the recommendations, and would co-operate fully with the railway inspectorate's statistical study of train door accidents and computer simulation of possible door mechanism failures.



Cullen: wants to allay public's anxiety

enquiry. John Morton, of Liverpool, whose 25-year-old son John died when he fell from a train door near Tamworth in August, said: "It is too late for my son, but it may save someone else. It has taken people dying to come to this stage."

According to incidents reported to the Health and Safety Executive, 31 passengers died falling from moving trains in 1979 and a further 41 were injured in similar accidents.

Figures for the following ten years were: 1980, 14 deaths, 35 injuries; 1981, 16 deaths, 44 injuries; 1982, 11 deaths, 44 injuries; 1983, 13 deaths, 62 injuries; 1984, 14 deaths, 68 injuries; 1985, 16 deaths, 50 injuries; 1986, 12 deaths, 44 injuries; 1987, 26 deaths, 44 injuries; 1988, 19 deaths, 45 injuries; 1989, 19 deaths, 28 injuries. The provisional figure for deaths last year is 17. The figures do not include suicides.

Jury told of tension in cockpit

THE jury who will decide whether the British Airways captain whose plane skidded buildings close to Heathrow airport is guilty of criminal negligence were yesterday asked to put themselves in the cockpit and imagine the pressures which build up on a pilot as he comes in to land (Harvey Elliott writes).

"You are in the dark coming down with cloud all around you - the instruments, the radio communications - it is a very tense place," Patrick Phillips, QC, defending Captain William Glen Stewart, said. Summing up for the defence at Isleworth crown court, west London, Mr Phillips reminded the jury that the autopilot on the Boeing 747 had not been working properly. Judge Bathurst-Norman will begin his summing-up on Tuesday.

Jilted fiancée says gang shot her rival

A JILTED fiancée told a jury yesterday that three men shot dead her love rival as she stood terrified near by. Yvonne Sleightholme told Leeds crown court that she had stayed silent about the murder for months because the men threatened to kill members of her family. Sleightholme denies murdering Jayne Smith, aged 29, wife of her former fiancé, in 1988. Sleightholme, aged 38, who is now blind, said she had gone to meet William Smith at his North Yorkshire farm, but had been held captive by three men who had struck when his wife arrived. One had said: "If you tell anyone you have been here, we will kill your sister and her two little girls."

The trial of Sleightholme, from Seamer, near Scarborough, North Yorkshire, resumes on Tuesday.

Bishop says Christ will never return

By RUTH GLEDHILL, RELIGIOUS AFFAIRS CORRESPONDENT

THE Bishop of Durham said yesterday that he did not believe Christ would return to earth in person. The "notion of somebody descending in clouds, and so on, is not to be taken literally", Dr David Jenkins said on BBC radio.

The bishop, whose liberal theology has ensured him a permanent place under the media spotlight, said that the imagery of the end of the world was symbolic. He was speaking the day after BBC Books published *Free to Believe*, co-authored with his daughter Rebecca.

Public interest in Dr Jenkins, and the skill with which the book has been marketed, are expected to guarantee sales. Dr Jenkins last night defended commercial practice as a viable means of putting

over the message of the Gospel. His book marks an upturn in the religious publishing industry, now embracing mammoth with evangelical fervour. Religious publishers are meeting next week to finalise a statistics scheme for the industry, now worth between £50 and £80 million a year. Of 60,000 new titles published each year, 2,500 are religious, but there is no accurate picture of sales.

Preliminary research by Book Marketing shows that the number of religious titles published rose 60 per cent in eight years, one-and-a-half times the rate for the whole book trade, while the number of sales has fallen. According to the report, for the Religious Books Group, more than half the population has a bible. The Publishers' Association says radio publicity is particularly helpful to book sales.

The BBC denied partisan treatment. The bishop had done many interviews about his book with independent radio stations and the interview with BBC Radio Newcastle yesterday was not about his book but in reference to David Icke, the former sports presenter, who has claimed to be the son of God.

The bishop and his daughter were also unrepentant. Dr Jenkins realises that one hazard of the job is the oversimplistic interpretation of his complex eschatology (the branch of theology concerned with the end of the world). Rebecca said: "He knows there are risks about talking to the press but he also thinks he has got to talk about the faith in all the forums of the modern world."

Dr Jenkins said: "I am doing this because the issues have got to be faced and pursued." Now the book is out, at least he can refer people to that, he said. He saw no harm in using a commercial transaction to gain wider publicity for the gospel.

Legal blow to child bride's plea

By DAVID YOUNG

ZANA Muhsen, who is suing her father for false imprisonment in a civil case, claiming he sold her and her sister Nadia as child brides to two Yemeni villagers 11 years ago, has suffered a setback in her long-running legal battle.

She is seeking damages after judgment by default was granted to her last July when her father, Muthana Muhsen, failed to contest the case. However, at a High Court hearing in Birmingham yesterday, Judge Singleton adjourned the case to allow Mr Muhsen to apply for the



Zana Muhsen: will fight the case to the end

judgment to be set aside. If his application succeeds, any decision to award damages will depend on the result of a full hearing, which could take another 12 months to come to court.

The move to adjourn the case was strongly opposed by Miss Muhsen's solicitor, Miss Dorothy Seddon, who said the delay in resolving the case could affect her client's memory of events in Yemen.

Miss Muhsen, aged 26, from King's Heath, Birmingham, said after the hearing that she would fight the case to the end and would continue to ask the Foreign Office to put pressure on the government of Yemen to allow her to be reunited with her sister, who is still there.

Child killer detained in hospital

A woman who killed her four children last year in the hope that they would go to Heaven was given indefinite detention in a mental hospital yesterday after Chelmsford crown court was told she could kill again.

Oi Tai Ngai, aged 33, of Basildon, Essex, who admitted manslaughter, was ordered to be kept at Rampton hospital, Nottinghamshire. Kishore Seewoonarian, a consultant psychiatrist, told the court that Ngai felt she should end the lives of frail, elderly, sick or ugly people in distress.

Retrial ordered

Douglas Henderson, captain of the dredger Bowbelle, is to face a retrial in the Marchioness riverboat disaster case, in which he denies endangering life, the Recorder of London, Judge Lawrence Vaneay, ruled yesterday.

Damages won

Eileen Matthews, of Catford, southeast London, and her six children won £149,250 in agreed damages from British Railways Board in the High Court yesterday over the death of her train driver husband in a crash in 1989.

Protester jailed

Paul Monaghan, aged 42, who is confined to a wheelchair, was jailed for ten days by magistrates at Taunton, Somerset, for refusing to pay parking fines in a protest at poor facilities for the disabled.

Players hurt

Two footballers, Nicholas Bailey, aged 19, and Paul Clarke, aged 18, were hurt when a stolen car hit them after being driven across their pitch at Atherstone in Warwickshire.

Bright idea

Mike Robertson, owner of the Troa Mills group of stores in Devon and Cornwall, has said shoplifters' hair should be dyed bright blue as a cheaper alternative to jail terms.

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Norman Fowler, in *The Sunday Times* tomorrow

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Battle-scarred Tories are in better shape than they seem

Neil Kinnock should be more worried than John Major by the council polls, writes Ivor Crewe

THE headline results from Thursday's local elections speak of a Conservative collapse, double-digit swings to Labour, and the wholly unexpected advance of the Liberal Democrats. The reality is less dramatic.

As always with local elections, interpretation depends on the focus of analysis and the base line for comparison. In terms of seats, the Conservatives' net loss of 850 — unprecedented for any party for this set of local councils — was far worse than anyone, including Chris Patten, the party chairman, anticipated. The Conservatives lost all they had gained not only in 1987 but in 1983.

The Liberal Democrats were predicted to lose 500 seats; in the event they gained that number by holding what they had and advancing in most of their areas of local strength, except where they ran councils as in Chelmsford and Southend.

In terms of councils, Labour captured those it expected to, including the big city prizes of Cardiff and Nottingham, but also Plymouth and Luton, which it did not. In spite of losing votes, the Liberal

Democrats captured enough councils to control more town halls than at any time since the second world war.

However, the only proper basis for assessing the party's true national standing is an estimate of their national vote share. This presents a much more qualified picture of the three parties' positions.

An aggregation of the local election vote in 38 Conservative-held marginals (see table), selected to be representative of the parties' national vote shares at the last general election, put party support on Thursday at Conservatives 36.5 per cent, Labour 37.5 per cent, Liberal Democrat, 23.5 per cent, confirming that the two major parties are level pegging. On these figures, Labour would win 303 seats to the Tories' 298, falling well short of a majority, and becoming dependent on 25 Liberal Democrats, who would hold the balance of power.

A glance down the list of

to the huge swings in such areas on Thursday are based on comparison with the 1987 General Election. The table shows that Labour's improvement in such areas since the 1987 local elections has been modest, except in Slough and Swindon.

Not all of Thursday's Liberal Democrat voters will stay loyal by general election day. With the Conservative and Labour parties so evenly balanced, their pattern of defections will be crucial. On Thursday, the Liberal Democrats advanced further where the Conservatives retreated most, suggesting that the subsidising of Liberal Democrat support will probably benefit the Conservatives more than Labour.

In spite of the recession, the Opposition is only a whisker ahead. Local elections do not choose the prime minister, on which the public's current preference for John Major is clear. In spite of the headlines, Thursday's results should leave Mr Major less worried than Mr Kinnock.

Ivor Crewe is professor of government at Essex University.

THE MARGINAL EFFECT

(How Thursday's vote would translate into general election results in 38 Tory marginals)

	1991 local elections			Constituency	% change since		
	Con	Lab	L/Dem	Result	June 87	general election	
	Con	Lab	L/Dem		Con	Lab	L/Dem
Con/Lab marginals							
Basildon	36	43	20	Lab gain	-7	+5	+2
Birmingham Northfield	52	38	11	Con hold	+7	-2	-5
Birmingham Selly Oak	45	44	11	Con hold	0	+4	-4
Birmingham Yardley	20	23	58	Lib/Dem gain	-23	-14	+37
Bolton West	36	37	27	Lab gain	-8	+1	+7
Bristol East	27	39	32	Lab gain	-15	+3	+12
Bury North	44	44	12	Con hold	-6	+6	0
Bury South	46	49	5	Lab gain	0	+8	-8
Corby	35	42	24	Lab gain	-10	+1	+9
Coventry South West	44	40	18	Con hold	+1	+3	-4
Davey Hulme	45	37	18	Con hold	-2	+7	-5
Dover	32	41	27	Lab gain	-14	+7	+7
Dudley West	49	41	10	Con hold	-1	+7	-6
Elmet	39	46	15	Lab gain	-8	+9	-1
Ipswich	39	45	16	Lab gain	-6	+3	+4
Keighley	45	41	14	Con hold	-1	+5	-5
Nottingham East	38	49	13	Lab gain	-4	+7	-2
Nottingham South	41	43	16	Lab gain	-4	+3	+1
Peterborough	39	39	22	Lab gain	-11	+5	+6
Slough	32	51	17	Lab gain	-15	+11	+4
Southampton Itchen	37	43	21	Lab gain	-8	+11	-3
Southampton Test	39	42	20	Lab gain	-7	+9	-2
Stockport	30	39	32	Lab gain	-12	+3	+10
Swindon	36	48	17	Lab gain	+5	-2	-3
Waveney	33	42	25	Lab gain	-15	+12	+3
Wolverhampton North East ...	41	43	16	Lab gain	-1	+2	0
York	34	47	19	Lab gain	-8	+5	+3
Con/Liberal Democrats contests							
Bath	37	25	38	Lib/Dem gain	-9	+14	-5
Cambridge	30	40	30	Lab gain	10	+11	-1
Cheadle	49	12	39	Con hold	-6	+3	+3
Crosby	42	26	32	Con hold	-4	+8	-4
Hazel Grove	33	18	49	Lib/Dem gain	-13	+5	+7
Leeds North East	40	32	28	Con hold	-6	+7	-1
Leeds North West	37	32	32	Con hold	-8	+10	-2
Pudsey	38	30	32	Con hold	-8	+9	-2
St Albans	39	21	40	Lib/Dem gain	-15	+9	+5
Shipley	50	33	17	Con hold	0	+9	+10
Southend West	44	10	46	Lib/Dem gain	10	+3	+8
Average change							
					-6.9	+5.5	+1.5

NS. Percentages are shown for changes in the share of the three-party vote. * Result shows winning party in constituency if Thursday's voting was repeated at a general election. Voting figures have been rounded up to nearest whole number.

Sad Solihull Tories ask why

By CRAIG SETON

BENEATH an old photograph of Margaret Thatcher hanging on a wall of the Solihull Conservative Association offices, demoralised Tories yesterday began an inquest to discover why they had lost overall control of a council regarded as impregnable in the early days of the former prime minister.

A party worker explained that pictures of John Major had not yet been issued. It was also clear that the new prime minister's contribution to reviving Tory fortunes had not appeared to work in Solihull. Within hours of their defeat, some local Tories said that the government's treatment of local authorities had cost them dear.

The Tories lost three seats, picked off by Labour; the Liberal Democrats and In-

dependent Ratepayers, to produce a hung council. Although the Conservatives, with 23 councillors, remain the largest party, the others combined have a majority of five.

Two Tory committee chairmen lost their seats. One, Terence Powell, a councillor for 13 years, was beaten by an Independent Ratepayer. He said: "It's certainly not a council we should have lost. We have been treated appallingly by central government. We have had a rate support grant that was cut and cut. Whereas we used to have the lowest metropolitan rate in the country, that was being reversed with the poll tax."

Mr Powell, a sub-postmaster, said that voters were concerned about the health service and unemployment. He added: "The poll tax was still an issue. The trouble with central government is that it

tends to generalise about local authorities. What may be true in Brixton is not true in Solihull."

The opposition parties are not expected to form alliances to try to take control, but have promised to make life difficult if the Tories attempt it. The big question yesterday was how the leadership of the council and committees would be organised.

A full-time agent was appointed for the Solihull constituency Conservative party only six months ago, after many years without one.

John Taylor, the Tory MP who has a majority of over 21,000, did not appear to need such help, and in some quarters it was believed that the agent had been brought in to bolster the local party machine after its once-large majorities on the council were gradually whittled away.

Militant spectre returns to Liverpool

By PETER DAVENPORT

LABOUR party bickering is likely to dominate another council term in Liverpool after the Broad Left faction defeated official Labour candidates in five of the six wards they contested.

There were calls yesterday for those who opposed official candidates to be expelled from the party and a report demanding an investigation into alleged malpractice by the Broad Left group was sent to national headquarters.

A party spokeswoman said that an investigation into why party members had stood against official candidates was likely. Offenders could face sanctions including expulsion from the party.

Bob Waring, the Labour MP for Liverpool West Derby, said: "These people call themselves left-wingers but they are

not, they are Stalinists." The victory for the Broad Left candidates, in which the group held four seats and gained a fifth, gives it 27 votes on the city council. It is a substantial blow to Labour's efforts to suppress Militant influence in



Waring described the Broad Left as Stalinists

the city and means that Harry Rimmer, the council leader, faces increased opposition to his attempt to cut 1,000 council jobs.

Terry Jennings, leader of the Broad Left group, called on Mr Rimmer to stand down. "Neil Kinnock has been saying that the Labour moderates know what this city wants, but these results show categorically that they don't," he said.

Mr Rimmer and defeated official Labour candidates accused the Broad Left of confusing voters by designing their posters and leaflets like official party literature. Kevin Coombes, the former Labour leader, said the results would mean council committees splitting three ways and becoming unworkable.

The council now comprises 62 Labour members, including the 27 Broad Left support-

ers, five classed as Ward Labour, 27 Liberal Democrats, two Conservatives, one Liberal, one SDP and one vacancy.

In Wirral, Labour gained a clear majority on the borough council for the first time and now has 34 of the 66 seats. The biggest upset, however, was the defeat of Yvonne Nolan, the anti-poll tax group leader, who lost her seat to the Conservatives by 1,200 votes.

There was good news for Labour elsewhere in the North. In Bradford the group increased its majority by five, and won control of Darlington and Langbaurgh-on-Tees, two rare outposts of Conservative rule.

In Wear Valley, Durham, the local council, under Labour control for 12 years, switched to the Liberal Democrats, who gained 22 seats.

Sutch joy as Loonies secure four seats

By DOUGLAS BROOM
LOCAL GOVERNMENT
CORRESPONDENT

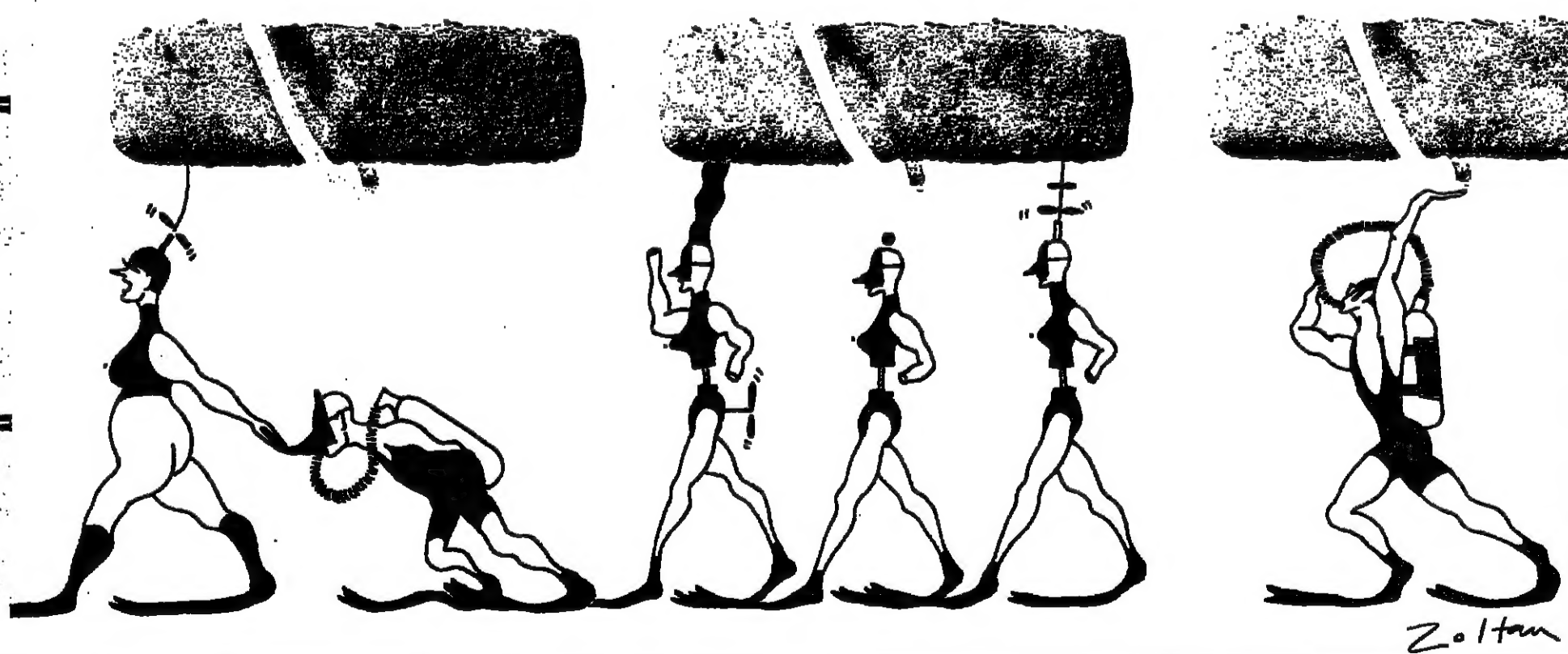
WHILE the Liberal Democrats celebrated their triumph in the local elections, a smaller political movement was enjoying the fruits of a more modest, but no less significant, renaissance. The Raving Loonies, famed as the party of the lost deposit in Commons elections, confounded pundits on Thursday night by taking four West Country seats.

Stuart Hughes, a hotelier who defeated the Conservatives to win Sidmouth's Wolbrook ward on East Devon district council for the Raving Loony Green Giant Party, is leader of the "sensible" wing of the party. Mr Hughes, aged 40, whose Fawley Towers Hotel in Sidmouth was named after the fictional home of the ultimate raving loony, also won a seat on Sidmouth town council. He said: "This must come as a real blow to John Major. It is proof that voting Loony really does make sense."

Unrestrained silliness was kept alive in Cornwall, however, when Freddy Zapp, a disc jockey, won a seat on Camborne town council for the Official Monster Raving Loony Party. The chairman of the Monster Raving Loony Party, Alan Hope, also held his seat on Ashburton town council, in Devon, and Charlie Salt, another of its candidates, won a seat on the parish council at Cheriton Bishop, Devon, with 79 votes.

Screaming Lord Sutch, the party founder, said: "It is a great day for looniness." "The night had its more serious upsets. In Horsham, West Sussex, Brad Watson, the Conservative councillor tipped to take over as chairman of the Association of District Councils in July, lost his seat.

The loss of a coin yesterday won Labour's Efed Morgan a seat on Cynon Valley council, Mid Glamorgan, after six recounts failed to separate him and his Plaid Cymru rival, John Daniel.



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Many unhappy returns as Poles take another constitutional



Catherine the Great: enraged by constitution Burke praised

WITH fanfare and pomp, Poland celebrated the 200th anniversary of Europe's first written constitution yesterday. But politicians deftly papered over the fierce arguments that are delaying the draft of a new democratic constitution and are obscuring the relative power of president and parliament.

The 1791 constitution, which enfranchised Poland's burghers, was regarded as a democratic milestone and was extravagantly praised by Edmund Burke, who emphasised that the document "included the seed of durable progress because it is constructed on the same principles that have made our British constitution so perfect."

But it angered Catherine, Empress of Russia, who set about partitioning Poland with the Prussians. The historic constitu-

The post-communist Polish constitution is proving just as contentious as its landmark 1791 predecessor, celebrated yesterday. Roger Boyes reports from Warsaw

tion lasted barely fourteen months. The present constitution was adopted in the Stalinist era, in 1952, but has been amended so often that little is left of the original text. In 1976, it was changed to include clauses enshrining "the leading role" of the communist party and friendship with the Soviet Union.

When communist rule was broken in 1989, the constitution was changed again in the other direction. The introduction of a senate, a parliamentary upper house, and the post of president meant that a different balance

had to be struck. Local councils were given new powers.

Article One, defining Poland as a "socialist country", was amended, the Marxist term "working people" was removed from the text and replaced by the word "nation", and the communist party lost its written right to a "leading role" in Polish society.

A completely new constitution was supposed to be ready in time for yesterday's celebrations. But political infighting and the fracturing of Solidarity means that it will not be ready for

approval until after a general election in the autumn. President Walesa's supporters argued that a democratic constitution should not be approved by a parliament which still has a guaranteed block of seats for communists. First, parliament had to be fully democratic, then the constitution could be adopted.

But this timetable was muddled by Mr Walesa's determination to be president of Poland. Now the country has a democratically elected president who can more or less improvise on his political powers.

The current row centres on the power of the presidency. There are two constitutional committees, one drawn from the Sejm (lower house) and the other from the Senate, and they cannot yet agree on the fundamental division of power between par-

liament and president. The Sejm committee leans towards the German system, granting wide powers to parliament, government and prime minister, while curbing presidential influence in the political arena.

The Senate favours a French-style presidency. Senators argue that this is the most stable solution for the difficult economic and social conflicts facing Poland. Such a system would reconcile democratic government with President Walesa's charismatic style of leadership and would provide a stronger national image abroad.

Other key differences run along a left-right fault line. Social Democrats - former communists and those on the left of the Solidarity movement - want to retain the constitutional right to work, free health care and

education, while those on the right do not. There are also differences on the separation of church and state and on the future status of the Senate.

These arguments were conveniently submerged yesterday. Instead, Poles complained that the celebration of a 200-year-old democratic document was distinctly undemocratic, confined to important speechmaking and solemn choral singing in the parliamentary chamber.

Polish Americans had been lobbying to invite Sing, the Rolling Stones and President Bush to the ceremonies, and to make something of an extravaganza of the day. The proposal was overruled. Poland was too poor for extravaganzas, and Sing was in any case busy elsewhere, saving rainforests in the Amazon.

Croatia gives warning of war after Serb clash

FROM DESSA TREVISAN IN BELGRADE

THE bloodiest clash between Serbs and Croats since the second world war has left 16 people dead, raising the spectre of civil war. Franjo Tudjman, the Croatian president, addressing his compatriots yesterday morning, said: "We have experienced the most tragic day in the short history of Croatian democracy... and we are facing, I may say, the beginning of open warfare against the republic of Croatia." But he went on to appeal for calm.

Curbing the emotions of Serbs and Croats will be extremely difficult. Thousands of young Croats held protest meetings yesterday, demanding guns to protect the state. Dr Tudjman said they would use all means to fight terrorism and defend every inch of Croatian soil.

The shooting in the village of Borovo Selo on Thursday went on for several hours and about 200 to 300 Croatian policemen were dispatched to the village to look for two of their colleagues who went missing during a patrol the day before. The Croatian version states that the villagers opened fire and the police fell into a trap.

Serbs in the village were jubilant. One Serb said: "If they come back, we shall again send them home in coffins," referring to the Croatian policemen. Another said: "Croatian special police fell like ripe pears when we opened fire on them." An-

other policeman was killed in a gunfight in Palaca village in southern Croatia.

The emotions whipped up by the shootings, threatening to plunge the whole of Yugoslavia into turmoil, have been exacerbated by claims of extraordinary brutality in the clashes. According to reports, the two Croatian policemen captured by Serbs had been tortured before being killed. Yugoslavia's vice-president, Stipe Mesic, told Croatian television yesterday that some Croatian policemen were "butchered before they died". He explained that "they were treated in the most bestial manner, some were mutilated and even decapitated".

Local hospitals said 14 police and six civilians had also been hurt in the fighting before federal army tanks and soldiers intervened.

Yesterday, federal army tanks were patrolling the village in northeastern Croatia, which is largely populated by Serbs. The official death toll, according to the Croatian authorities, was 12 policemen and three civilians killed in Borovo Selo. But the local Serbs pointed out with pride that it was a "real war" and that only one Serbian civilian had been killed. His body, draped in the Serbian flag, was carried across the Danube into Serbia to be buried.

The scene in the village was one of devastation. The village hall, the adjoining clinic and the post office were riddled with bullet holes, and cars and a bus, presumably one that was used to bring the police reinforcements, were burnt out.

Dr Tudjman is now under pressure to use the incident to review relations with Serbia, a hint that Croatia may decide to boycott the so far unsuccessful talks currently being held to bridge differences between Yugoslavia's six republics.



Cardinal Mindszenty granted his last wish

FROM ERNEST BECK IN BUDAPEST

THE remains of Hungary's staunchest anti-communist cleric, Cardinal Jozsef Mindszenty, who died in Austrian exile in 1975, were returned home yesterday to a solemn and emotional welcome.

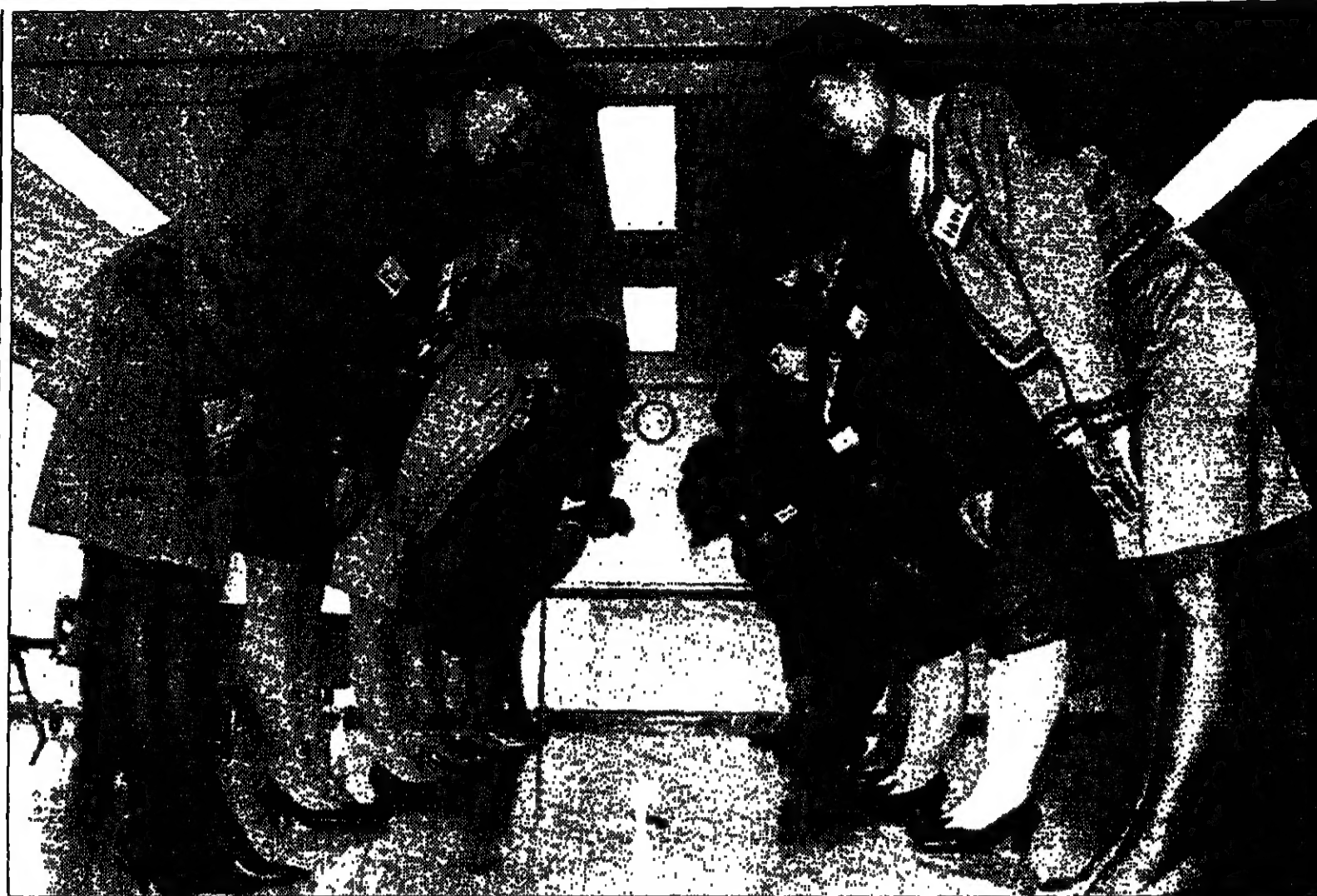
Today official funeral ceremonies will posthumously honour Mindszenty, who suffered torture, imprisonment and 20 years of exile, and is seen by many Hungarians as the greatest symbol of resistance to communist rule.

Church bells rang and the faithful stood silently along the roadside as the cortege moved slowly on its way to the town of Esztergom, the traditional seat of the Hungarian catholic primate, where the cardinal will be entombed in the basilica.

He was hailed as a martyr by Bertalan Andrasfalvy, the minister of culture. "We grew rich and strong when he opposed with uncompromising bravery the most cunning and cruel power of world history, and when he opposed the traitors who served them his bravery put our indifference and fear to shame."

Sentenced to life imprisonment in 1949 at a Stalinist show trial, the cardinal was set free for a few days during the 1956 uprising. But when Soviet troops entered Hungary he took refuge in the US embassy, and remained there for 15 years until Washington and the Vatican brokered a deal to secure him safe passage in 1971.

The cardinal's final wish was to return to Hungary only "when the red star of faithless Moscow had finally fallen."



Eyes down for etiquette: a class of women in Tokyo practising how to bow during a course in preparation for their jobs as office workers. Former airline stewardesses teach poise and charm to about 40,000 people from Japanese companies each year

Gatt negotiators expect delay in farm trade deal

FROM GEORGE BROCK IN BRUSSELS

NO NEW deal to liberalise world trade can be struck until towards the end of the year because of the lack of real dialogue between America and Europe over farm subsidies, key negotiators have said.

The four-year talks under the General Agreement on Tariffs and Trade (GATT) collapsed in Brussels last December, but have been kept alive since by technical meetings in Geneva. No progress has been registered while the American administration asks Congress for a fresh negotiating mandate, that vote should be complete by the end of this month. The Uruguay Round of the GATT talks is designed to put large areas of international trade - notably agriculture, services and copyright - under global free-trade rules.

Officials at GATT headquarters in Geneva have noted that no dialogue on central issues exists between Washington and Brussels and that little real progress has been registered since the breakdown at the end of last year. "It is very disturbing that they really aren't talking to

each other," said one senior GATT official.

American officials have complained that European Community negotiators seem to be waiting for the congressional decision before moving any further. Washington appears to expect Helmut Kohl, the German chancellor, to bring good news on GATT when he visits Washington later this month. There is no indication that he has any plan to do so.

Recent visits by Arthur Dunkel, the director-general of GATT, to Washington and Brussels and by Ray MacSharry, the EC farm commissioner, to Washington have established that most parties to the talks see the end of this year as the deadline for cutting a deal. In any event, the start of the American presidential campaign next year will halt any unfinished negotiation.

The European Commission has again begun to speak with two voices on GATT. Before Mr MacSharry left for Washington, he said that he hoped that a ministerial meeting could be held in the autumn. Frans Andriessen, the external affairs commissioner, told Mr

Dunkel that he hoped that a deal could be sewn up without the need for another ministerial meeting.

The commission, which negotiates on behalf of all 12 EC states, has held almost no internal discussion on GATT since the beginning of the year. EC governments are struggling over whether to allow themselves to break their own agricultural spending budget for this year. In June, they are due to return to the thorny topic of fundamental reform of the common agricultural policy. Only when some progress has been made in those areas, as well as in the technical GATT discussions in Geneva, will the central negotiation be free to proceed.

December's breakdown in negotiations occurred when Third World delegates rejected an EC offer to reduce farm subsidy by 30 per cent over ten years. Mr MacSharry said this week that it would now be very difficult to deliver on that offer because of new burdens on the European farm support budget. He noted that farm production is rising and consumption is falling.

Bonn squabbles on liberals' role

FROM IAN MURRAY IN BONN

IN AN unseemly dispute that is undermining Helmut Kohl's position as chancellor, the three parties that make up Germany's ruling coalition are exchanging insults and threatening to walk out on each other.

Herr Kohl, infuriated by accusations of lack of leadership, has added to the disarray by cancelling talks planned for yesterday with leaders of his chief critics, the Christian Social Union (CSU), the Bavarian sister party of his own Christian Democrats (CDU). The chancellor still means to keep his promise to confer with the CSU at Irsee next Tuesday, but Max Streibl, the Bavarian prime minister, will be unable to attend. Although this weakens the CSU delegation, the delay will allow the argument to rumble on, with the Bavarian party building its case that the chancellor is failing to give a credible right-wing lead.

The two parties have a pact in which the CSU confines its activities to Bavaria while the CDU campaigns throughout the rest of Germany. The CSU is not only threatening to pull

out, but is talking about tearing up the electoral agreement and challenging for the right-wing vote all over the country. Although there is little likelihood that the Bavarian party will carry out its threats now, the squabble weakens the Herr Kohl's role at a time when his authority is urgently needed to create confidence for investors in eastern Germany.

The two parties are mainly arguing about the influence on government policy of the liberal Free Democrats (FDP), the junior partners in the coalition. They were the only one of the three parties to emerge stronger from last December's all-German election, with 11 per cent of the vote.

The CSU believes that under Herr Kohl, the CDU is increasingly relaxing conservative policies with the result that the radical right is gaining strength, especially in the east. Theo Waigel, the CSU leader, told the *Augsburger Allgemeine* newspaper yesterday that the two parties were being led by the FDP into "a Babylonian captivity".

Georgia tremors

Moscow - Fresh tremors struck the southern Soviet republic of Georgia yesterday, but there were no reports of casualties or damage. Avtandil Akhmedishvili, the head of Georgia's central seismological observatory, said the tremors hit the same region in which at least 180 people died in an earthquake on Monday.

Miners strike

Sofia - Thousands of Bulgarian miners at a lead-zinc mine in Madan, south of Sofia, went on strike to demand for the resignation of the communist-era management, higher wages and better safety. A miners' spokesman said more than 6,000 of the 11,400 workers had taken part. (Reuters)

Laser ban urged

Geneva - Laser weapons which cause blindness should be banned under international law, the president of the International Committee of the Red Cross, Cornelio Sommaruga, said. A report on the weapons will be put before the International Red Cross conference in Budapest in September.

Helicopter deal

Bangkok - The Burmese military junta, fighting a war of attrition against ethnic rebel groups, might buy attack Mi17 helicopters from the Soviet Union, Rangoon radio said. Major-General Tin Tin, the air force chief, met F. N. Myaynikov, the deputy director general of Soviet Aviaexport, in Rangoon. (AP)

Sister kidnapped

Hong Kong - A boy aged 12, living in Canton, kidnapped his younger sister and threatened to kill her unless his mother paid him 100,000 yuan (\$11,000), the Chinese Service reported. She offered to pay but when he went to collect the ransom she caught him and handed him over to police. (Reuters)

Number's up

Hammond, Indiana - Mr John F. Morales, a Roman Catholic priest, was jailed for ten months for running an illicit £1.17 million-a-year bingo operation. Prosecutors said he conspired to create the illusion of a church charity, taking £60,000 a night and depositing as little as £60. (AP)

For J.R. and Dallas, it's a wonderful curtain

FROM CHARLES BREMNER IN NEW YORK

IN A plot modelled on *It's a Wonderful Life*, the 1946 classic of the hereafter, the final episode of *Dallas* screened last night in America showed a suicidal J. R. being taken on a tour of Southfork ranch by a guardian angel, played by Joel Grey, to see how the Ewing family would have turned out if J. R. had never been born to visit his double-crossing schemes on their oil-rich Eden.

Ever since the Wall Street crash of 1987, America's trend-watchers have been seizing on events that they deem to mark the final curtain of the decade of excess. For some it was the election of the Ivy League President Bush, for others it was the conviction of the junk bond kings or the recession.

But a fitting epilogue to the age seems to be CBS television's two-hour finale to the long-running saga of conniving Texas folk. For those out of reach of

their television sets, most American airlines were provided with videotapes to play to their passengers in flight.

Dallas was more than entertainment. From the first appearance of Larry Hagman as the dastardly J. R. on April 2, 1978, the tale of the ever-fleeting Ewing family was the manifesto for the grabbing and glitter spirit of the 1980s. Last night's adieu to the folks of Southfork played with the premise: what if J. R. and all that delicious skull-gutery - in other words, the 1980s - had never happened.

The show has still been drawing ten million viewers, a respectable figure but nothing compared to its early heyday. The high point of *Dallas* mania came when it staged the cliff-hanger of all time in late 1980 and early 1981. About 300 million viewers in 57 countries waited breathlessly to find out who shot J. R. More Americans tuned in for the solution on one night in November 1980 than

bothered to vote in the presidential election.

The programme's global influence was extraordinary. In South Africa shops closed early so that staff could watch. In Bonn, the municipal theatre staged a *Dallas* ballet and in Turkey a parliamentary debate was cut short to allow members to watch.

There was nothing very original about the series. Sex, money and power have been the stuff of drama since ancient times. The plots were always predictable. J. R. kept cheating on Sue Ellen, so she always needed to have lunch with Miss Ellie; meanwhile J. R. would march into the sitting room and announce that someone was trying to sabotage Ewing Oil.

Then at the end, after J. R. had pulled off yet another double-cross, someone would grit their teeth and tell him: "J. R., this time you've gone too far. I'll make you pay if it's the last thing I do." But *Dallas* was the

first American television drama that revelled in luxury and invited people to enjoy its lavish immorality. *Dallas* elevated conspicuous consumption to a secular religion. *Newsweek* said in an epitaph this week: "It introduced viewers to the greedy 1980s. The show understood that any indiscretion can be turned into a career move."

Dallas spawned a barrage of prime time soap operas. It survived its resort to an unpopular contrivance of bringing Bobby Ewing back from the dead in 1986, but it had clearly outlived the zeitgeist. What looked like devilish cunning is more likely to look now like repulsive venality.

Musing on the influence of *Dallas* this week, Larry Hagman said he believes it even played a role in toppling communism in the Eastern bloc. "I think the opulence, the consumerism, the food, the cars made people want more than their governments provided them," he said.



End of an era: Linda Gray, Joel Grey and Larry Hagman, stars of the final episode

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Confident Kurds leave border camp for haven

FROM EDWARD GORMAN
IN UZUMLU REFUGEE CAMP

UNITED Nations officials visiting this camp on the Turkey-Iraq border yesterday estimated that up to 20,000 people had left in the past five days, suggesting that the safe haven concept is beginning to take hold among refugees.

Alan Brody, the UNICEF programme officer for Turkey, surveyed the colourful improvised tents sprawling over ridges leading up to the frontier. "This place was crowded last Sunday - it looks to me as though 50 per cent of people are gone from here," he said.

Vincent O'Reilly, a United Nations assessor accompanying Mr Brody, said he believed the sheer magnitude of the coalition effort in northern Iraq had inspired confidence amongst refugees trying to decide whether it is safe to return. "I think the vast majority will leave by June," he said. "I think it will be pretty much all over by then. These people know the mountains - it's going to get very, very hot here and very uncomfortable," he added.

Mr O'Reilly said that as the movement back into Kurdistan gains momentum, aid organisations are increasingly focusing their attention on



organising cross-border programmes to help refugees when they arrive, either back home or at holding camps.

Most of the refugees here are from the town of Dahuk, which senior American officials say is not within the safe zone at present and they do not know yet whether it will eventually be included.

What seems to be happening is that refugees at Uzunlu are electing to return anyway but are not going as far as Dahuk, choosing to camp in coalition-held villages further north, waiting to see how the situation develops.

On the winding road over the frontier at the top of the camp where up to 8,000 people are estimated to have crossed on Thursday, Salim Ismail, a merchant from Dahuk, was part of a steady stream of people making the journey yesterday. Together

with his wife and nine young children, he had decided to move down to the village of Kani Mase about seven miles south-west of Uzunlu and thought to be in coalition hands. He said they could not put up with the conditions in the refugee camp. "All the countries that have helped the Kurdish people have told us to return and that it will be safe."

A Kurdish doctor working for the Red Cross said refugees were following the progress of the safe area with excitement. "They are eager to hear the news every night. The news now is very good," he said.

But he said Kurds from southern areas and the government-held cities might not return if the safe zone excludes them. However, an American special forces sergeant major predicted the Kurds would not allow people to stay on indefinitely. "Once the majority begin to move, the rest will be pushed out by the Kurds," said Bill Braggdon.

The experience of Uzunlu suggests that fears among the Kurds that the safe zone will not sufficiently guarantee their security may be receding. It also suggests that movement out of the camps will depend to a great extent on whether the town or region from which most refugees are drawn, has been brought into the zone.

Yesterday RAF and US Chinook helicopters dropped around 12 tonnes of food and clothing to the remaining refugees. American soldiers and aid workers said that the general health of the people is improving by the day and the death rate is falling sharply. At least two cholera cases have been isolated in a hospital compound set up by Médecins sans Frontières.

The United States army lost its first soldier since the beginning of Operation Provide Comfort yesterday when one marine was killed and a second injured after an accidental discharge of a weapon at Zakho in northern Iraq.

● **SILOP:** Turkey closed its main border crossing to northern Iraq for more than two hours yesterday, delaying international relief aid to Iraqi refugees, the United States military said.

A Turkish government official insisted the Habur bridge crossing was never closed, but Colonel Bob Flocks of the US army said Ankara's decision to close the bridge had halted the movement of allied military and international relief supplies into the Iraqi border town of Zakho and refugee havens to the east.

Later another US officer, Captain Marcelle Adams, said the Turkish authorities had reopened the bridge.

In Ankara, a foreign ministry spokesman denied the frontier crossing had been closed. "The border is open. Some journalists were prevented from crossing the border (into northern Iraq) because they did not have accreditation," he said. "The allied relief operation is continuing." (Reuter)



Grip and gripe: a crying Kurdish boy clings to his mother's skirt as she collects their food rations from French troops at a depot in northern Iraq yesterday

Bush denies claims over Iranian hostage deal

FROM MARTIN FLETCHER IN WASHINGTON

PRESIDENT Bush yesterday angrily denied allegations that he had met Iranian officials in Paris in October 1980 to persuade them to delay the release of 52 American hostages until after the following month's presidential election.

"Was I ever in Paris in 1980? Definitely, definitely no," Mr Bush told reporters in the Oval Office. He described as "sickening" allegations that the Reagan-Bush campaign team had made a secret armistice deal with the Iranians to prevent Jimmy Carter winning re-election. "Let's stop this rumour-mongering," he said.

His spokesman, Martin Fitzwater, called Gary Sick, the former Carter aide who resurrected the charge, "the Kitty Kelley of foreign policy," a reference to the author of a salacious biography of Nancy Reagan. "It's all trash," he said of the allegations.

Mr Bush's statement was the first time he has ever commented on the "October Surprise" allegations, which have been around for years, but it came at the end of a week in which they had acquired new life.

Following a long article by Mr Sick in *The New York Times*, and encouraged by Mr Carter, congressional Democrats announced that they were conducting an informal enquiry to see whether the charges warranted a formal investigation. On Thursday they interviewed Mr Sick.

Abolhasan Bani-Sadr, the Iranian president at the time, is about to publish a book on the American hostages in Tehran, in which he says he has proof of contacts between Ayatollah Khomeini and the supporters of Ronald Reagan "as early as the spring of 1980". Having at first stalled on whether to grant Mr Bani-Sadr an entry visa for a promotional tour, the US State Department relented on Thursday night and agreed to let him in.

Mr Sick, now a professor of Middle East studies at Columbia University, alleged that Reagan-Bush aides, notably William Casey, the campaign manager, worked secretly to put together the deal with the Iranians at a series of meetings in Washington, Madrid and Paris during 1980. He said he was told by some sources that Mr Bush attended the Paris meetings from October 15 to 20.

Mr Bush "was on the campaign every day of that period. He had a press corps with him. He never went to Paris, and if anybody wants to give me a date I can prove it," Mr Fitzwater said yesterday. "I say: Gary Sick, the Kitty Kelley of foreign policy, you give me a date," Mr Fitzwater said. "You owe the president an apology." He said the Democrats would "look foolish" if they conducted a formal investigation.

Asked if he had ever met any Iranian officials, Mr Bush yesterday replied: "That's all I'm going to tell you."

The unexpected breakdown in negotiations, which have been continuing for nearly a year, occurred in part because Philippine determination to drive a hard bargain was misinterpreted by the Americans as nationalist posturing.

American perceptions that the strategic significance of the Philippines is declining were discounted in Manila.

If neither side moves, the current bases treaty will lapse on September 16. The Philippine constitution decrees that the presence of any further bases must be governed by a new treaty, suggesting that the bases would have to be dismantled from September 17. However, legal challenges to that position could postpone a resolution of the impasse until after a change of Philippine govern-

ment in May next year. "Although ... nobody will begrudge the Philippine side for having tried to do its very best for the citizens of this country, the United States' ability to meet those needs has its limit," Mr Armitage said as he left. "The limit with respect to bases-related compensation has been reached."

The two countries have been negotiating for nearly a year about the fate of Clark and the Subic base, the headquarters of the US Seventh (Pacific) Fleet.

Four smaller American installations are at various stages of handover from US to Philippine control.

The Philippines says that the bases can stay for seven years, at \$825 million a year. The Americans want the bases to stay for ten to 12 years, at a rate of \$360 million a year.

Options under negotiation have included America giving the Philippines some military equipment and possible trade

French have high hopes of summit with Iran

FROM PHILIP JACOBSON
IN PARIS

FRENCH diplomatic sources have confirmed that President Mitterrand is likely to be the first Western head of state to meet an Iranian leader since the overthrow of the Shah in January 1979. It has not yet been decided whether his encounter with President Rafsanjani will be in Paris or Tehran.

Roland Dumas, the French foreign minister, was talking enthusiastically yesterday of the prospect of greatly improved relations between the two countries as he prepared for his two-day official visit to Iran. According to M Dumas, the first approach for the proposed meeting had come from Hojatoleslam Rafsanjani and represented the desire of "pragmatic" officials to restore Iranian influence in the world. "The Gulf war and the eclipse of Saddam Hussein have convinced them that the threat has receded and that they can now adopt new postures," he said.

During the Gulf crisis, it is now known, M Mitterrand and President Rafsanjani exchanged telephone calls. Some French press reports have suggested that this is when the idea of a Franco-Iranian summit was first raised. It is understood that diplomatic contacts were intensified subsequently and both sides feel that the moment has come for a formal meeting to set the seal on their rapprochement.

The encouraging signals which the French are sending to Tehran include a visit by M Dumas to a refugee camp catering for thousands of Shia Muslims from southern Iraq. The Iranian leadership is bitter about the greater international response to appeals for aid in coping with the Kurdish influx from the Turkish authorities: it is suggested that M Dumas hopes to balance the impact of the recent visit by Danielle Mitterrand, the president's wife, to a Kurdish refugee camp.

The warning of Franco-Iranian relations, which M Dumas confidently predicts will become even closer in future, dates from the decision by both sides to end a long period of overt hostility that culminated in the so-called "war of the embassies". Diplomats from both sides were effectively held hostage as a quarrel developed over allegations that Iran was involved in the wave of terrorist bombings in Paris in the late 1980s.

Mutual hostility was deepened by a long-running financial dispute over the huge debt that the Iranians claimed was owed by French interests on contracts undertaken in the era of the Shah.

The desire of the French to shed their former image in Iran as one of the West's "little Satans" has important financial implications. The reconstruction of Iran after the long war with Iraq is slowly getting under way and contracts worth \$88 billion are expected to be at stake.

Hurd tells Kuwait of human rights concerns

Kuwait - Douglas Hurd, the British Secretary of State, said here yesterday that there was continuing concern in the West about human rights abuses in Kuwait after its liberation by allied forces.

"There is an element of continuing concern," he said after talks with the Emir and the Crown Prince. "That's why I raised the matter. But it is very clearly in the interests of Kuwait that this should be a new chapter in its history. This is understood by the Emir."

Amnesty International said last month that Palestinians and others suspected of collaborating with the Iraqi occupiers had been tortured, arbitrarily detained and some had been executed. Mr Hurd said he told Sheikh Jaber al-Ahmed al-Sabah, the Emir, that it was "quite understandable" that there should be a period of "diver, suspicion, even retaliation immediately after liberation when what people here had been through, but that that period should now be at an end." (Reuter)

Ordered out

Diyarbakir - Turkey is expelling Robert Fisk, a correspondent for *The Independent*, because of an article he wrote on alleged looting of Kurdish refugee supplies by Turkish troops, a foreign ministry spokesman said. Mr Fisk was detained on Thursday but allowed to return to his hotel to await expulsion. (Reuter)

Navy reverts

Subic Bay - The US navy has dropped plans against two Muslim sailors accused of plotting to sabotage an aircraft carrier during the Gulf war, a US navy spokesman said in the Philippines. The decision was made after lawyers interviewed witnesses on board the carrier USS *Ranger*. (AP)

Open house

Kuwait City - Kuwaiti women, capitalising on pressure for democracy and sexual equality, have gained access to the traditional men's club. The *al-Jawhara*, a regular gathering place for men to discuss everything from politics and local problems to domestic issues. (Reuter)

Palace saved

Baghdad - Ordered from President Saddam Hussein to blow up his summer palace in an area of northern Iraq controlled by allied troops, have been cancelled. An Iraqi government source said on Thursday that the original order was given by a "misheard" foreign troops using the palace as a base. (Reuter)

Concert pledge

New York - Jeffrey Archer, the author, has told Javier Pérez de Cuellar, the United Nations secretary-general, that he will give the UN half the income of his next month's *Washington* concert to help the Kattis.

Fund plan to make Iraq pay for war

FROM JAMES BONE IN NEW YORK

THE United Nations yesterday proposed the creation of a three-tier fund to ensure that Iraq pays war compensation within "a reasonable period of time". The report came a day after a UN survey found that the damage inflicted on Kuwait by the Iraqi occupation runs into tens of billions of dollars.

Javier Pérez de Cuellar, the UN secretary-general, told the security council that the compensation fund should be financed by Iraqi oil revenues. But he postponed any decision on setting an upper limit on the percentage of Iraq's oil earnings that can be set aside.

The compensation fund will comprise three branches, of which the governing council, made up of the same 15 nations as the security council, will be the overall policy-making body. Decisions of the council will require nine votes, and, unlike the security council, no country will hold a veto. When the council is deadlocked, disputes can be submitted to the security council. The governing council will be located in New York, Geneva or Vienna.

The second branch, the compensation commission, made up of lawyers, accountants, insurance experts and bankers chosen by the governing council from a list drawn up by the UN secretary-general, will undertake most of the detailed work. The commission will verify and

evaluate claims and resolve disputes. The fund, itself, will be set up as a special account of the United Nations. The governing council will decide what percentage of Iraq's oil revenues is diverted into the fund, provided the figure does not exceed the ceiling set by the secretary-general. Britain has suggested a ceiling of between 25-30 per cent, believed to be the amount Iraq previously spent on arms purchases.

Whatever the level, it will take years for Iraq to pay compensation for the damage it wrought by its invasion of Kuwait. UN officials say Iraq's export revenue before the war, almost entirely oil, was about \$17 billion (\$9.9 billion) a year.

The UN survey released on Thursday night described the damage to Kuwait alone as "almost incalculable". The 143-page report compiled by Abdulrahman Farah, a UN special envoy, said the oil industry was "in a shambles" and that other vital sectors of the infrastructure were "undetermined by systematic sabotage and plunder".

The cost of the burning oil wells was estimated at up to \$120 million a day. The report estimated that the loss of oil production caused by the occupation would cost Kuwait \$8.5 billion.

Li to press Pyongyang over UN

By DAVID WATTS
DIPLOMATIC CORRESPONDENT

LI PENG, the Chinese prime minister, arrived to a spectacular welcome in Pyongyang, the capital of North Korea yesterday, with the delicate mission of trying to persuade President Kim Il Sung, Peking's old comrade-in-arms, on two key issues.

The red-carpet welcome was the sort granted only to true and trusted friends of Pyongyang and the Chinese are the only ones to qualify for it now.

Mr Li must somehow persuade the president that the old days are over and Pyongyang must recognise two facts of diplomatic life: South Korea is determined to apply for United Nations membership this year and it seems likely to get it, and North Korea must allow inspection of its nuclear facilities. Seoul's intention of joining the UN has enraged Pyongyang. Mr Kim insists that the two Koreas should enter as a unified country but the Chinese feel they should go in separately *pro tem*.

Even more worrying for Pyongyang is the fact that China and South Korea have established trade offices in each other's capitals while North Korea can no longer look to Eastern Europe for support.

Hong Kong fears US revolt on China trade

By MARTIN FLETCHER

RELATIONS between the United States and China have sunk to their lowest level since the Killings in Tiananmen Square in June 1989. American officials said yesterday, but they could soon deteriorate further, with disastrous consequences for Hong Kong. By June 3 President Bush must decide whether to renew China's preferential trading status. He has indicated that he will, arguing that it is imperative to maintain a dialogue with China. But administration officials believe that this year, unlike last, he could be overruled by a Congress whose patience with Peking's excesses is now exhausted.

This would cost China an estimated 25 per cent of its total exports. It would also be a significant blow to Hong Kong, which re-exports substantial amounts of Chinese goods. Peter Lo, minister for Hong Kong economic and trade affairs in Washington, said yesterday that the British colony would lose up to \$12 billion (£7 billion) a year, or 7 per cent of its overall trade, and up to 43,000 jobs. "We are very worried," said Mr Lo, who has started a lobbying campaign in Washington.

Robert Kimmitt, the under-secretary of state for political affairs, will arrive in Peking tomorrow on an eleventh-



Bush: keen to maintain dialogue with China

hour salvage mission ordered by Mr Bush. Mr Kimmitt is expected to argue for immediate concessions such as the release of political prisoners and an announcement that China will comply with the international Missile Technology Control Regime.

In the past two weeks Mr Bush has adopted a tougher public stand towards China, primarily to strengthen his credibility on Capitol Hill. On Tuesday he banned the sale of American components for a Chinese satellite to protest against Chinese missile sales to unstable countries.

Congressional anger with Peking has been fuelled by continued human rights violations, the export of nuclear technology with military po-

tential to Algeria, its plans to sell missiles to Third World countries such as Pakistan and restrictive trading practices that have led to a record surplus, announced yesterday, of \$15.1 billion.

Mr Bush chooses to lobby hard, he may be able to persuade 34 of the 100 senators to vote his way, but officials believe a still greater threat is posed by a bill introduced by Nancy Pelosi, a Democrat, and 60 co-sponsors that would make the extension of preferential trading status conditional on improved human rights policies.

● **PEKING:** Marshal Dmitri Yazov, the Soviet defence minister, the most senior Soviet military leader to visit China, arrived in Peking yesterday, the Soviet embassy said. China is eager to buy military technology from the Soviet Union, diplomats said. The sides are also trying to reduce military tension along their border. (Reuter)

Mandela nephews shot dead

FROM RAY KENNEDY
IN JOHANNESBURG

THE threat of another weekend of bloodshed was hanging over black townships around Johannesburg last night as the death toll rose to at least 98 after eight days of violence.

Police reported ten more deaths overnight and described the atmosphere in Soweto, between supporters of the African National Congress and the Zulu-based Inkatha Freedom Party, as volatile.

Two nephews of Nelson Mandela, the ANC deputy president, were killed by gunmen at their home in the Zondi district of Soweto. In another incident, Musa Myeni, an Inkatha central committee member, escaped unhurt after a grenade was thrown into his home in Plumville, Soweto.

ANC and Inkatha leaders agreed a truce on Thursday night after a two-hour meeting near the Dube migrant workers' hostel. However, fighting erupted outside the Meadowlands hostel yesterday. Captain Joseph Mogobeni, of the Soweto police, said: "There was intense fighting between two groups. Police rushed to the scene and defused it." The atmosphere at the Dube hostel was tense and residents at Nancefield hostel were setting up roadblocks.

£479m rent demand floors deal on Philippines bases

FROM VAUDINE ENGLAND
IN MANILA

PROTRACTED negotiations on the future of American bases in the Philippines collapsed yesterday after the United States refused to meet Manila's demand for \$825 million (£479 million) in annual compensation. Richard Armitage, the chief American negotiator, left for Washington and no new date was set for the talks to resume over the future of the Clark air base and Subic Bay naval base, the largest American military facilities in Asia.

The unexpected breakdown in negotiations, which have been continuing for nearly a year, occurred in part because Philippine determination to drive a hard bargain was misinterpreted by the Americans as nationalist posturing.

American perceptions that the strategic significance of the Philippines is declining were discounted in Manila.

If neither side moves, the current bases treaty will lapse on September 16. The Philippine constitution decrees that the presence of any further bases must be governed by a new treaty, suggesting that the bases would have to be dismantled from September 17. However, legal challenges to that position could postpone a resolution of the impasse until after a change of Philippine govern-

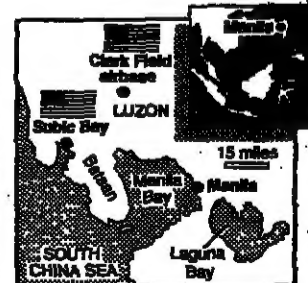
ment in May next year. "Although ... nobody will begrudge the Philippine side for having tried to do its very best for the citizens of this country, the United States' ability to meet those needs has its limit," Mr Armitage said as he left. "The limit with respect to bases-related compensation has been reached."

The two countries have been negotiating for nearly a year about the fate of Clark and the Subic base, the headquarters of the US Seventh (Pacific) Fleet.

Four smaller American installations are at various stages of handover from US to Philippine control.

The Philippines says that the bases can stay for seven years, at \$825 million a year. The Americans want the bases to stay for ten to 12 years, at a rate of \$360 million a year.

Options under negotiation have included America giving the Philippines some military equipment and possible trade



Clark Field and Subic Bay

concessions and debt condonation for the Philippines. The Americans have insisted the last two ideas are not possible. "A member of the Philippine negotiating team said Manila will not accept the agreement, but President Aquino had thought that the Americans could improve on their \$360 million offer. A vocal minority of Filipinos want the bases to go when the lease expires, but a largely pro-American majority want a new deal to be struck."

The surprisingly implacable stance of the Philippine negotiating team reflects a subtle but significant change in Philippine attitudes over recent years. Although Manila wants to maintain a close relationship with America, it does not want to be seen as the sole beneficiary partner.

The domestic political risk attached to anyone merely agreeing to American proposals is too great. "The world must understand that we are dealing with a real giant," a member of the Philippine team said at the start of this week's talks. "So at least the Americans have to make this an honourable arrangement."

The Americans, for their part, insist that they have been as flexible as possible. "It's still unacceptable to me that we won't keep the bases," one government Philippine spokesman said.

After a bitter six-year debate, Robert Venturi's National Gallery extension is at last unveiled. How will Londoners react?

The battle of Trafalgar Square

**For Gavin Stamp
the new Sainsbury
wing is a cruel
disappointment,
worse even than
Prince Charles's
great carbuncle**

Sir Edwin Lutyens once complained: "All this talk about art is dangerous, it brings the ears so far forward that they act as blinkers to the eyes." Lutyens was partly adopting the anti-intellectual pose typical of his generation, but he had a serious point: architecture is, in the end, justified not by theories but by what a building looks like. A first-rate piece of architecture should not have to be explained. Architecture is an art with its own internal visual and structural logic; so the function of a building should be clear, its articulation rational. The language spoken by the architect may be classical or high-tech, but within its own terms, a building should be a coherent three-dimensional visual statement.

The building that recently emerged to the west of the National Gallery is not at all coherent. Rather, it delights in perversity, irrationality and awkwardness. Although it adopts the Corinthian order of William Wilkins' 1830s building to which it is an annex, this order is treated with a self-conscious illiteracy. The pilasters, along with other elements derived from Wilkins (string courses, cornices and windows), fade away as the building proceeds along Pall Mall East, until by the time it turns the corner the elevation is little more than a flat stone wall.

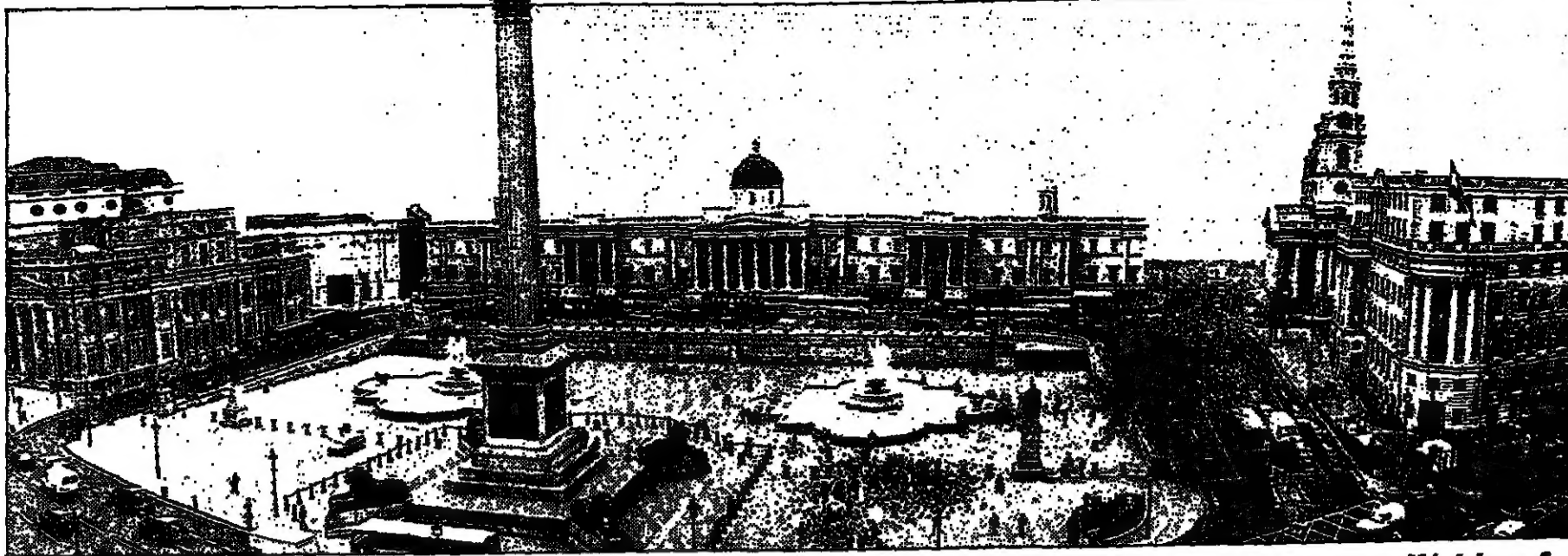
Even where the elevation is more elaborate, the details are trivialised and made ridiculous. The moulding under the first-floor windows suddenly disappears, and then reappears, illogically, where millions of a giant window cut across it. Is this subtle mannerism, or just a huge camp joke played at the expense of the Sainsbury family — and the country?

Of course, classicism is often only skin deep. Seldom is the column a truthful expression of either construction or the internal arrangement of spaces. In his library for Trinity College, Cambridge, for instance, Sir Christopher Wren's superimposed orders give the impression that the two storeys of the building are of equal height, when in truth the library floor lies well below the bases of the upper row of columns.

But Wren was responding to the human need for visual logic, harmony and consistency. Not so the architect of the National Gallery extension: he feels obliged to stress what we know already — that a facade is just a facade — by making huge ugly openings in the apparent visual logic of the Corinthian order.

And that, of course, is the whole point. We are dealing with an architect who is interested not so much in designing a coherent, serviceable building as in making an ironic statement about late-20th-century architecture.

The National Gallery extension



Eyesore or a sight for sore eyes — does the extension do credit to one of the capital's most famous views, or is it just an exercise in perverse self-indulgence?

is the cruellest disappointment I have ever suffered as an architectural critic. What has emerged in Trafalgar Square makes me reluctantly admit that by comparison James Stirling's design was a model of sense and lucidity. I am even beginning to look favourably on the unfortunate winner of the first, ineptly conducted competition: the design by Ahrends, Burton & Koralek, which the Prince of Wales irretrievably damned as a "monstrous carbuncle".

It was at least a serious design in its own terms. In the second, limited competition resulting from the municipal intervention of the Sainsbury family, I favoured (and still do) the design by Piers Gough. But when I learned that the American architect Robert Venturi, Rauch & Scott-Brown had been selected, I was content. Robert Venturi is a highly sophisticated and intelligent architect whose *Complexity and Contradiction in Architecture*

(1966) was one of the first and most devastating critiques of the orthodoxies of modernism. The heroes of that book were Borromini, Hawksmoor, Soane, Lutyens: all brilliant and occasionally wayward individualists who could affect the emotions through built form. Venturi lacks that gift. Like many critics, he is unable to translate what he sees into designs of his own. When I first saw his winning design, I thought the judges had made a

disastrous decision. Now that it has been realised, I feel the building is an insult both to the National Gallery and to London. Sir Gilbert Scott once remarked that the trouble with his generation of architects was that they knew too much history. That is certainly true of Venturi. The design is larded with references to Lutyens, Burnelli, Soane, Labrousse and other fashionable historical figures, which, I suppose, may amuse historians. But

Venturi irritatingly insists on telling us what we do not need to be told. We know the new building is a concrete structure, so there is no need to emphasise that the stone facade is just a facade by separating it from Wilkins' 19th-century elevations with a discontinuous wall of glass.

There are two ways of dealing with the problem of how to add an asymmetrical extension to a formal, symmetrical building. One is to design in subservience to the

For Simon Jenkins the new building is a dazzling architectural jest that will liven up London

Triumph for a modern master

Can London take a joke? The joke is sophisticated and at the expense of two institutions not famous for their sense of humour, the National Gallery and British architecture. The location is a corner of Trafalgar Square and the perpetrator is the American architect Robert Venturi.

The National Gallery has won hands down. Its chairman, Lord Rothschild, and its benefactor, the Sainsbury family, knew what they were about in choosing Venturi for their new Italian Renaissance wing. Although unreserved enthusiasm may not be fashionable among critics, no praise is too great for the most exciting new galleries I have ever seen. Venturi's interiors, his Soanian arches, his long vistas punctuated by dazzling altarpieces, his small contemplative rooms with classical cornices, stone floors and stone-coloured walls, all perfectly complement the art which they house. The Sainsbury Wing, opening in July, is a marvel. Let nobody say that private patronage cannot give Britain quality of the highest order.

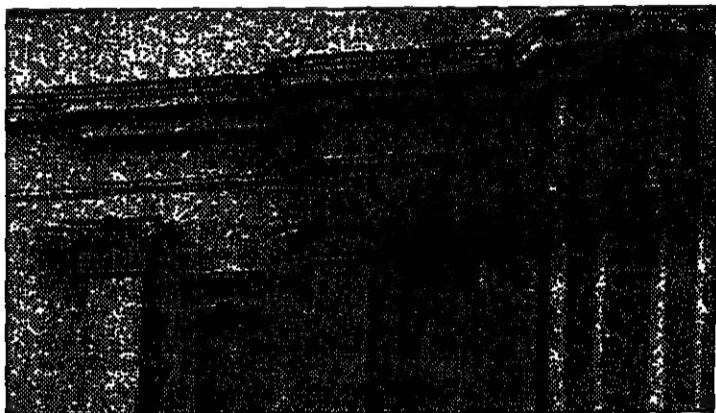
But what of the joke? At 65, Venturi remains an architectural oddity. No profession afflicts itself with more crass theorising than architecture; Venturi's innovation in the 1960s was to be specific and witty. He was the boy from the crowd who said the emperors of abstract Modernism were naked. He rephrased Mies van der Rohe's "less is more" as "less is a bore". He was intrigued by late-20th-century architecture. The American: pop art, holiday stands



Venturi's adventure would not please the Corinthians, but Londoners should be delighted

and gas stations, the "messy vitality" of Main Street vernacular. The result delights and infuriates critics. Tom Wolfe has him "skipping, screaming, turning cartwheels on the very edge of [Modernism's] monastery walls". Venturi mocked the "dreary solemnity and high seriousness of modern architecture". To Wolfe, his work was the Big Wink.

The streets of London are less pompous, more informal than the glass-and-concrete canyons against which Venturi railed. New buildings may conflict and contrast with their neighbours, but they must acknowledge their presence. London needs not visual demolition but careful infilling, the pleasant surprise rather than constant shock. Of no corner is this more true than the benighted north-west of Trafalgar Square. Here, without too much offence, Venturi could put into practice



what he described (to the critic Stephen Games) as "exaggerating common-or-garden features... while subverting convention". Rivals in the original gallery competition proposed to deposit on the site what architects love to call "statements". Venturi has chosen classical irony. He picks up the rhythm of Wilkins' National Gallery, syncopates it, plays a couple of chords and then executes a dying fall as the building turns towards Pall Mall.

Trafalgar Square was never symmetrical, like the Place de la Concorde. It is a *campo* of weak facades mildly embarrassed by each other's presence. Venturi manages both to acknowledge them and to laugh at them. He takes each component of Wilkins' Corinthian order and "deconstructs" it. The dentils go, the string courses disappear, the window openings become shallower.

As a final wave to the square, he presents an attached Nelson's Column, fluting, acanthus and all. He then turns to the side street, Pall Mall East, and to modest Whitcomb Street, easing the eye down to pavement level with colourful single-storey pillars framing shop windows. The unavowedly blank facade of a gallery exterior is broken by patterned brickwork and a stone cornice line.

Here on a small and awkward site is a building that both sustains a presence across a large square and fits comfortably into the adjacent streetscape. That it also contains rooms of surprising grandeur merely adds to its brilliance. The contrast with the government-designed 1970s National Gallery extension to the north shows what a vast stride London architecture has made.

To complain that the citizens of

Corinth would be shocked at such liberties taken with their beloved order of architecture is absurd. The Sainsbury Wing is a variation on a timeless theme, as flexible and enjoyable today as it was to Smythson and Inigo Jones, to Vanbrugh and Soane and Lutyens. The joy of historical mannerism lay not just in its variety, but in illusion, in playing the visual tricks of the theatrical designer. Jones and Vanbrugh both understood the art of theatre. Venturi comprehends that of exhibition.

Behind his facade, visitors are invited to a serious endeavour, to commune with some of Europe's great devotional paintings. At night his magnificent lighted staircase will be seen from across the square, rising and broadening past a stone palazzo wall. This is pierced by classical windows and decorated with the names of the great artists displayed within. As there is no entrance charge, this staircase will surely become London's Spanish Steps. My only regret is that it is not open to the skies, mitigating the building's weakest feature, the blackness in daylight of the sheet glass.

To excuse such seriousness in humour is a gambit. The humour is spectacular, pervasive, intellectual, whimsical. Like much humour, it will pain the academic purist. But what is life without humour, and what is classicism without a joke? How John Bejman and Robert Lancaster would love the row now in prospect! London's architecture has been bleak for too long. Venturi has transformed it with a gust of wit.

old, continuing its language with unassertive fidelity (as was achieved in the 1890s around the far corner, towards the National Portrait Gallery). The other is to create a distinct structure. Venturi has fallen between the two and succeeded in neither.

His design is intended to be "both a cadenza and a coda" to the main building. Yet the new wing is quite different. It is formless and ugly as it hunches around the site in a series of arbitrary planes. There is no intellectual satisfaction to be derived from contemplating Venturi's building on its own: only pain at seeing motifs and mouldings made to look ridiculous.

Venturi is not really interested in architecture as an expression of ideas. The executed design cannot be admired as a rationalisation of structural and functional imperatives within an aesthetic system, nor for the careful and logical use of materials.

The real giveaway is the abrupt change from stone to banal brick as the building disappears up Whitcomb Street. The architect's lack of concern with the real stuff of architecture is evident from the railings standing between the Egyptian columns that arbitrarily flank the ground-floor entrances. These railings have wavy finials copied from furniture designs by Lutyens, but they are made of flat sheet metal, as if cut out of cardboard. One blacksmith angrily refused to tender for these gates, rightly regarding the design as an insult to his craft.

At present I can only comment on the exterior of the Sainsbury Wing, but, as the public face, that must always be the most important aspect. The interior plans, however, have been published and are consistent with the overall conception.

Every other competitor adopted a rectilinear plan containing the right-angle geometry of the original building. The exception was Venturi, who has adopted an arbitrarily skewed plan which relates neither to Wilkins nor to the boundaries of the site. This allows him to play illusionistic tricks with diminishing perspectives, both in the vista from the Wilkins building and in the staircase which rises up from the incoherent lobby space. Bernini did this in the Scala Regia, but that was a response to a tightly confined site. Venturi adopts such devices merely as gimmicks.

The most tiresome feature of post-modernism is that nothing can be done straight for that would be too easy, too bourgeois, too boring; if the past is referred to, it must be with self-conscious irony. But Venturi's trouble is that he has become obsessed with complexity and contradiction, forgetting that classical architecture involves (in his own words) "compositional unity and symmetry, big scale, and hierarchies of conventional elements — although combinations of these elements can be contradicted through classical mannerism".

In *From Bauhaus to Our House*, Tom Wolfe perceptively noted that although Venturi's words seemed rebellious, his designs were timid: "Studied closely, Venturi's treasure turns out not to be apostasy at all but rather an agile and brilliant skip along the top of the wall of the compound." His National Gallery extension is a fitting monument to one of the most confused, gutless and meretricious decades in the history of British architecture.

...and moreover

MATTHEW PARRIS

Travelling by train to Scotland recently, I fell into the company of some medical students from Guy's Hospital. When they learned that I am a political sketch writer, they told me a wonderful tale. They swore it was true, and I believe them.

In cases of suspected brain damage, they said, doctors administer a simple test to establish whether the patient retains his most elementary faculties of long-term memory. It consists of a few very simple questions.

"What is your name?" is the first, followed by "Count from one to ten" and "What is Britain's capital city?" One of the most reliable indicators of all used to be this staple question: "Who is the prime minister?" It had been asked of confused or brain-damaged patients for as long as anyone could remember.

Until the advent of Mrs Thatcher, that is. At the end of the first decade of her premiership, the hospital abandoned the question. "Why?" I asked.

"Everybody knew the answer," replied my travelling companions. Even people who had forgotten their own names knew that Mrs Thatcher was prime minister. People who couldn't count knew it. Patients who appeared in other respects to be virtually comatose would automatically murmur "Mrs Thatcher". To ask the question was no longer testing anything important about a person's brain function. So it was dropped.

So I was not surprised when a rumour reached me this week

that someone at 10 Downing Street who ought to know better (I must protect my sources), intending to explain to a colleague that Mrs Thatcher was on the line, recently announced "It's the prime minister".

An informal dining club has been formed at Stirling University called the *Bring Her Back Club*, and one of the rules is that Mrs Thatcher is at all times to be spoken of as "the prime minister". And, though I believe that both at No 10 and at Stirling the news will eventually filter through that Mrs Thatcher is not prime minister, something far more important persists in the mind of every Briton, however dazed, confused or mentally enfeebled.

It is the knowledge that Mrs Thatcher is, I believe that we should revise Descartes, *Cogito, ergo sum* misses the point. Mrs Thatcher is, therefore I am.

Do you remember the philosopher's conundrum, that a ship voyaging to Colchis may have each of its timbers replaced in turn, yet remain the same ship? What, the philosopher conundrums, constitutes identity? If every cell in my body is replaced, over time, is it still me? How do I know?

The answer is now clear. It is the persistence of knowledge of Mrs Thatcher that constitutes identity. I know I am today because I know she is, today. I know I am who I was yesterday, because I remember knowing that she was, yesterday. Was I "I" and were you "you", in 1979? Of course we were: we voted for her, didn't we? These

things are somehow elemental. The only way Mr Kinnock knew that he was leader of the opposition was that Mrs Thatcher was prime minister. That is why he is looking confused these days.

My philosophy lecturers told me that "Bachelors are unmarried" is a tautology. It is necessarily the case and therefore is not a significant statement (except to someone seeking definitions). "But Wilbur is an unmarried man" is a significant statement, precisely because it might be true, but does not have to be. Some have argued that no statement could fall into both categories. The great claim of the moral philosopher Kant is that some truths do: self-evident, necessary, derivable from first principles, and yet significant.

Mrs Thatcher came too late to give Kant living proof of his thesis. Yet it is likely that, although he was never able to write "Mrs Thatcher is", in some deep sense he always knew she would be. Our children will certainly know she was.

With Voltaire, I think we can say that if she had not existed, it would have been necessary to invent her. I rather think we did. Oh, I forgot to tell you the end of the students' tale. Now that there is a new PM, the doctors decided to reinstate the "Who is prime minister?" question into their test. But they have had to drop it.

"Why?" I asked. "Too many people don't know the answer. Even quite healthy people, with normal brain functions, were getting it wrong. It was too difficult a question."

Starry eyed and critical

When Arnold Wolfendale was appointed Astronomer Royal five months ago, John Major probably expected him to observe the age-old tradition in such posts of offering advice only when asked. Instead, he has angered his political masters by appealing to the public to join him in lobbying MPs and government for more science funding.

Like the Master of the Queen's Music, Malcolm Williamson, and the Poet Laureate, Ted Hughes, Wolfendale's post is largely honorary, and his predecessors have conventionally stayed out of the political arena. But to the government's embarrassment, Wolfendale is emerging as one of the most vociferous critics of its science policy. Since his appointment, scarcely a week has passed without a missive to Kenneth Clarke, the education and science secretary, asking why he is not spending more on science.

"When I received the letter of appointment from the prime minister, I was told that one of my functions was to offer advice to the government," says Wolfendale. "It did not say whether it should be solicited or unsolicited. I have chosen to give unsolicited advice."

Not only has the 63-year-old professor of physics at Durham University lobbied his colleagues in the Royal Astronomical Society to join his campaign, he has now urged the public to press MPs for an increase in the annual £900 million available to research councils.

"The amount has not kept pace with inflation," says Wolfendale, who has had one meeting with Clarke and says their relations are cordial. "Many projects are at risk. Although I am only responsible for astronomy, I believe it is up to me to make a case for science generally. We are falling behind



other countries. For a nation like Britain, which has boasted scientists like Newton and Faraday, this is a tragedy."

Ever since Charles II appointed the first Astronomer Royal, John Flamsteed, the post has led to a knighthood. If he keeps up his campaign, Wolfendale is in with a chance of breaking another of the job's traditions.

● What do you call an assembly of crime writers? The question was put to an impressive gathering of them this week in Skinner's Hall, London, where Ruth Rendell was awarded the Cartier Diamond Dagger for her fictional murders. The creator of Inspector Wexford was at a loss, but Catherine Aird, outgoing chairman of the Crime Writers Association, had the answer. "We are a corpus," she declared confidently.

Coarse célèbre

What is in a name? Rather a lot for the inhabitants of the remote Irish west coast town of Kiltimagh (pronounced "kiltcheema"), who have become embroiled in a major row involving the Irish government and the compilers of *The Oxford English Dictionary*.

The trouble started with the OED's plan to include the word "culchie" in the next edition. The word has long been used in Ireland to describe citizens of Kiltimagh

who emigrated to Dublin. Later it came to be loosely applied to any person who moved from a rural to an urban area.

Initially the residents of Kiltimagh were delighted to learn that they were about to be recognised in the world's greatest dictionary. But pleasure turned to anger when they discovered that the OED editors proposed the definition "a rough country fellow".

Local businessman John Higgins says: "Townpeople feel it is an unfair and unfattering definition and we have sought to have it changed". Their complaints have been endorsed by Padraig Flynn, the Irish environment minister, and the editors are now reviewing their initial definition. "We will take on board the

observations of the people of Kiltimagh," says a spokeswoman. Good, says Flynn. "Culchie" is very sophisticated people and the definition must reflect that.

Should we expect similar representations from the Philistines?

ECsodus

Having lost many friends by first attacking John Major and then last week denouncing Jacques Delors as a fascist, the Bruges Group has been delighted to discover that it at least has God on its side. Or so the

magazine *Prophecy Today* says in an extraordinary article claiming that anti-federalism is firmly enshrined in scripture.

The Bible makes clear that God's plan did not include the concept of a European superstate, says Michael Wilson, associate editor. Genesis tells us that after the flood the entire world spoke one language, its people formed one community and held a single vision. But God recognised the dangers, argues Wilson, depicting a flurry of quotes from Genesis, Jeremiah and Zechariah to show that it was for sound political reasons that the Almighty diffused man's language and established boundaries to encourage the growth of separate communities.

But one wonders why Wilson stops there. "Who made thee a prince and a judge over us?" in the book of Exodus is clearly a prophecy of the plaintive cry of captive Englishmen to the tyrant Delors. Wilson and his fellow followers of the Bruges Bible should, however, tread warily. What, for example, of Ephesians 25: "We are members one of another?" An EC directive could scarcely have put it better.

● When Wayne Eagling danced for the last time at Covent Garden this week, one man shared the stage for his final bow. Known simply as Julian, his role as the flunky who brings on bouquets at the end of performances does scant justice to his true significance. For more than 20 years, everyone from Plácido Domingo to Rudolf Nureyev has turned to him, and without his blessing no performance is complete. Above all, he is credited with the discovery of Covent Garden's recipe for calming first-night butterflies. The aroma which the flunky fans in the front row of the stalls may have detected at the opening of *Cyano de Bergame* was nothing more than the cast sucking Julian's polo mints.

سكنا من الامم



AS THEY WERE

There will not now be a June election, but with the two main parties so close in the opinion polls, there was not going to be one anyway. There may be an autumn election, but that too will depend on what the polls show when the leaves start to brown. While Thursday's local elections in non-metropolitan England and Wales appear to have been a draw for the Tories, better for Labour and the Liberal Democrats, everything is still to play for. This is the one nationwide election that may be drawn from the horse of local colour. The campaign was a dismal event nationally. The result was refreshingly variegated locally.

The results defy all analytic effort to reduce them to order and pattern. One by one, generalisations stumble on the rock of exception. "The Liberal Democrats did well only in their strongholds", how then to explain their triumph at Gosport? "Labour recovered lost ground in the South", why then did it lose seats in Basildon? "The West Midlands is still weak for Labour", yet the Tories failed to hold Solihull, the jewel in their Midlands crown.

Between regions, within regions, even within individual councils, the results vary in a way that only familiarity with local issues and local personalities explains. Conservative councillors in west Oxford who had rebelled against the poll tax were returned; official Tories who had not were defeated. Labour captured wards in Derby that they should have lost, but failed to capture wards that they should have won. In Bath, where the Liberal Democrat revival must give Chris Patten, the Tory party chairman, nervous nights, some Tory councillors and some Liberal Democrats increased their majorities.

In one regard only did the electorate perform as the pundits had predicted. The overall results show that the two main parties are neck-and-neck, albeit with a lowish share of the vote each than the polls showed. This does not contradict an

emphasis on local factors. At a national level, such factors tend to cancel each other out. What works for one party in borough A may work against it in borough B; and every party has its share of outstanding and of awful candidates.

The parties did not hesitate to draw national conclusions from their own calculations. Labour and the Liberal Democrats were both yesterday competing to outdo each other in triumphalism. Labour pointed to its performance in key marginals, though this, as Professor Ivor Crewe's analysis on page five reveals, was patchy. The Liberal Democrats dwelt on their share of the vote, at least a third higher than the national polls have given them. The Conservatives emphasised their recovery since the depths of their unpopularity under Mrs Thatcher's leadership.

Such competitive hucksterism is understandable. But nothing is known today about the electoral scene in the spring of 1991 that was not known before the vote was cast. Opinion polls are a more reliable indicator than local voting of the state of the parties nationally. They take a national sample (whereas yesterday's voting omitted London and Scotland altogether). They are not biased by differential turnout or by local factors; nor by the apparent willingness of electors to vote Liberal Democrats onto councils where they choose Labour or Tory candidates when voting for a prime minister at Westminster.

The results of the general election, when it comes, will depend principally on factors which were not apparent in yesterday's local elections. Will the economy recover? How will people feel about the promises to abolish the poll tax when they actually receive this year's bills? How credible do the party leaders look during a campaign? As an aid to forecasting, yesterday's results are next to useless. As instruments of democratic accountability, they are valuable.

DISASTER IN THE DELTA

The destructive ferocity of nature is remote from the lives of most people in Britain. The memory of a tidal wave over 20 feet high sweeping across islands and coastal lowlands as at Norfolk is unthinkable. In Bangladesh such "freak" weather conditions are by no means unusual during the pre-monsoon season. Some half a million people died in the 1970 cyclone. Floods struck again in 1988. Last Monday's cyclone, at first played down by the authorities, is believed to have killed well over 100,000 Bangladeshis, and the figure is rising daily. Western agencies, voluntary and governmental, are embarking on another relief operation. What can be done?

Whether or not this week's disaster is indeed Bangladesh's worst in living memory (as a prime minister, Begum Khaleda Zia, declared on Thursday) will become clear only when communications are restored. Efforts to replace the Bangladeshi government's stocks of food and medicine, announced by the European Community and Britain and France adding additional funds, have been prompt. Begum Zia's government puts the short-term cost at £30 million, of which most has already been pledged by America, Europe and Japan.

His first response might meet immediate needs but local stocks will quickly be exhausted. While limited food aid may be needed to replace damaged crops, the danger is that the already precarious economy of the region could be undermined. Bangladesh must not be a dumping ground for food and pharmaceutical surpluses, least of all surplus that will merely wreck the local farm economy.

The donors must avoid jumping to conclusions about what is likely to be needed. Cholera can be prevented cheaply and effectively or expensively and erratically. Clean drinking water is easier to

provide and more likely to work than mass inoculation. Expensive field hospitals may well be less useful than relatively cheap treatments, especially for the diarrhoea which is believed to kill an average of 300,000 Bangladeshi children even in a cyclone-free year.

In the medium term, a programme of closely monitored loans for infrastructure projects and private enterprises should be underwritten by Western governments, the World Bank and voluntary organisations, if Bangladesh is not to regress again after encouraging steps towards self-sufficiency in food. Ironically, the improvement in food production was in part bought at the price of cultivating low-lying areas which are impossible to protect against typhoons. Farming the fertile islands of the Ganges delta is more like farming the slopes of Mount Vesuvius than the flatlands of 17th-century Holland. As the mainland of Bangladesh has the highest rural population density on earth, it is not surprising that many farmers take the risk of settling only just above sea level.

Britain has a special responsibility to ensure that Bangladesh is not pushed to the back of the queue of disaster victims. London is home to the largest Bangladeshi community in Europe and Britain's experience in the region is great. The Royal Navy sent several warships to assist stranded islanders after the 1970 cyclone. This time there are other means of helping the energetic Bangladeshi agencies to help themselves. Helicopters are urgently needed. Bangladesh has only six to its name. Cheaper forms of transport — boats and lorries — will be no less essential. After John Major's rebuke to the United Nations secretary-general for his slow response to the Kurdish crisis, the British government must be seen to take the lead on Bangladesh.

STICKS AND STONES

"Is the fate of those who toil at the lower employments of life," wrote Samuel Johnson, "to be exposed to censure without hope of praise... Among these unhappy mortals is the author of dictionaries... Every other man may aspire to praise; the lexicographer can only hope to escape reproach." The toilers in the lower employments of the Oxford English Dictionary are yet again suffering reproach, this time by the inhabitants of a small town in Ireland.

The word "culchie", long applied to citizens of Kiltimagh who emigrate to Dublin, has become an all-purpose Irish term for hicks from the sticks moving to the city. When the OED proposed to define it as "a rough country fellow", the people of Kiltimagh were not amused. No less a man than the Irish environment minister, David Flynn, has taken up their cause.

The OED has been here before. In the early 1970s it was taken to law, a case which it finally won in the High Court, over the right to include disparaging versions of the word "Jew". The plaintiff, a Jewish businessman, claimed the inclusion was hurtful to the Jewish people. The OED cited its duty to scholarship.

Despite its victory, the OED like most modern dictionaries now inserts signposts into its text. The 1958 version of the concise OED described the derogatory definition of "sw" — "extortionate usurer, driver of hard bargains" — simply as colloquial. The latest edition so bristles with signposts that the word is almost blocked by them: "sl. offens. is a stereotype) a person considered to be antisemitic or to drive a hard bargain in trading. The stereotype, which is now deeply offensive, arose from historical associations

of Jews as moneylenders in medieval England."

Societies will always have taboo words. In the 19th century they were sexual. In the 20th they are racial. All languages and races seem to need their taboos. The British tell jokes about the Irish, the Irish about people who live in Cork. To Welsh on somebody in English is to swindle him. The Germans mock the Poles: inefficiency in German is known as *polnische Wirtschaft*. Traditional enemies vilify each other. Running away as soon as a battle starts is called *filer à l'Anglaise* in French, but "taking French leave" in English. The British are not so polite about The Netherlands, either. The Dutch can only summon up courage after a drink.

Even unintended racial slurs can be offensive. The UN ambassador to Zaire complained when the Iraqi ambassador called his Kuwaiti counterpart a pygmy. The Iraqi claimed that a better translation of his Arabic word was "dwarf", and pride was saved. Yet the latter would have gone down badly in America. Yesterday's polite term becomes today's insult and tomorrow's accepted version. "Black" used to be offensive, then *de rigueur*, now American blacks want to be called African-Americans instead. "Queer" used to be common usage, then derogatory. Militant homosexuals are now reclaiming the word.

It is as much as a lexicographer can do to keep up. But keep up they must. One American dictionary in the 1960s removed the word "nigger" altogether. That must be wrong. A dictionary's job is to map the language, not pass judgment on it.

Lords ignored on war crimes bill

From Lord Shawcross, QC

Sir, Your Diaryist (May 2) is quite wrong to suggest that I and other peers have made an "about turn" in regard to conflicts between the House of Commons and the House of Lords.

I still entirely accept that the Lords should not obstruct legislation for which the government has a mandate from the electorate. This view was embodied in the Salisbury/Addison Convention of 1949 and I expressly referred to it in my recent speech in the Lords.

The government had a clear mandate in 1949 for the nationalisation of the railways. Not so the War Crimes Bill. This was never a government policy as put to the electorate and there is no kind of mandate from the people, which may have been one of the reasons why Mr John Major voted against it when it first came to the Commons.

The Bill was approved by less than half the membership of the Commons and the only mandate that minority had was from the powerful Westminster Institute. I fully anticipated that the Parliament Act might be applied, but, in complete agreement with all you say in your leading article (May 2), I cannot regard it as an appropriate occasion for its use.

Yours faithfully,
HARTLEY SHAWCROSS,
House of Lords.

From Lord Inglewood, MEP for Cumbria and Lancashire North (European Democrat (Conservative))
Sir, It is a pity that the constitutional arguments relating to the War Crimes Bill do not appear to have focused sufficiently on whether or not the substance of the Bill will be in breach of the European Convention on Human Rights. It is certainly arguable that it will. The spectacle of the House of Commons "railroading" such legislation, without so much as a further pause for thought, is sorry and shameful.

Yours faithfully,
INGLEWOOD,
European Parliament,
97-113 rue Belliard,
1047 Brussels, Belgium.

From Canon R. J. Halliburton
Sir, It seems to me appalling that the Speaker of the House and the Prime Minister should be seen to be prepared to invoke the Parliament Acts on what, by the widest stretch of the imagination, is not a national issue. No one is condoning what might or might not have been done by those who, in the miseries of war, took the desperate steps that have been so tragically repeated by one totalitarian leader after another. But my fear is that the proposed action will be seen as a deliberate attack on the wisdom of counsellors in the Lords.

This is a time when Mr Major, having created some significant new peers, needs all the support he can find. He would be wiser to defer and allow time for reconsideration.

Yours faithfully,
R. J. HALLIBURTON,
88 Amen Court, ECA.

From Mr Gerard Noel
Sir, In the celebrated case of Joyce v the DPP (1946), the House of Lords, acting as a court of law and on appeal, changed English law in order to procure the conviction of William Joyce as a traitor. He was at no time in his life a British subject and was living in Germany at the time of his alleged treason. The principle under which he was finally convicted (temporary possession of a British passport) was no part of English law until so made (retrospectively) after the war.

The decision to hang Joyce was made imperative by populist demand for the death of the hated "Lord Haw Haw". It was only by a strange mixture of "moral" and legalistic arguments that the Lords, on April 30, so narrowly adhered to their previous decision — by a much bigger majority — to oppose the War Crimes Bill.

Joyce, though a loathsome individual, may thus, ironically, yet have the last grisly laugh.

Yours faithfully,
GERARD NOEL,
Herald House,
Lamb's Passage,
Bunhill Row, ECI.

From Mr F. Ashe Lincoln, QC
Sir, Janet Daley (article, May 3) is wrong in saying that in the War Crimes Bill "we are assuming a right we have never claimed before to prosecute civil acts committed outside Britain". We always had the right to prosecute British subjects here for murder committed outside Britain. The War Crimes Bill was necessary because the murderers were not British subjects at the time of their crimes.

Yours truly,
F. ASHE LINCOLN,
9 Kings Bench Walk,
Temple, ECA.

From Mr John L. Marshall, MP for Hendon South (Conservative)
Sir, Your editorial of May 2, entitled "Pyrrhic victory", refers to "retrospection". But the Bill does not criminalise actions which were legal when they were committed. Murder — particularly mass murder — has always been a crime. There has never been a statute of limitation upon murder.

Yours faithfully,
JOHN L. MARSHALL,
House of Commons.
May 3.

LETTERS TO THE EDITOR

1 Pennington Street, London E1 9XN Telephone 071-782 5000

Ulster: fears of failure, fears of change

From Professor S. F. Lee

Sir, Conor Cruise O'Brien (April 30) claims that the current talks on Northern Ireland seem bound to fail, that they serve no purpose, and that there is no political solution to the violence. Each of his claims is wrong.

The talks are by no means bound to fail. Even if they do, they have already served a purpose, merely by happening at all (I, for one, feel safer living in Northern Ireland, given the paramilitaries' ceasefires which have accompanied the opening of the talks) and the harsh reality is that there is only a political solution.

There are three levels on which relationships have improved. First, innumerable cross-community initiatives have helped bridge divides. Second, there is the international level of good relationships between the London and Dublin governments and the support of other governments in Europe and the US; the Anglo-Irish Agreement has enabled the two governments to survive incidents (such as the Stalker affair, extradition disputes and miscarriages of justice) which would have soured relationships in earlier times.

It is only because of the dramatic strides forward on these two fronts that the third level, relationships between our regional politicians, is now in the limelight.

Tim Jones (report, May 1) regrets Winston Churchill's piece of

nonsense about the "integrity of the quarrel". On the contrary, everything here has changed, as the above illustrations suggest. As we approach 1992 it is easier to see Northern Ireland as a region in a Europe of regions than it was at the height of the troubles 20 years ago, when neither the United Kingdom nor the Republic of Ireland were members of the European Community. Nationalists and Unionists agree that there is some kind of regional identity and some kind of link to Europe.

Many of us living in Northern Ireland hope that out of these talks can emerge a regional assembly of all the talents, together with some institutional link between north and south, perhaps contingent on changes in the republic's constitution, and improved procedures for dealing with those Northern Ireland matters which remain the responsibility of Westminster.

If the talks break down there will be great sadness here, but it will not have been in vain. Northern Ireland's greatest problem is fear, not only fear of violence but also fear of the unknown, fear of change. These talks can help promote freedom from fear.

Yours faithfully,
SIMON LEE,
The Queen's University of Belfast,
School of Law,
Belfast BT7 1NN.
May 1.

Talking to workers

From Professor Lord Wedderburn of Charlton, QC, FBA

Sir, Mr Richard Price of the CBI (May 2) dislikes the description by Mr Norman Willis of the TUC (April 30) of the proposed Community Directive for workers' rights of information and consultation in undertakings of European-scale as a "broad legal framework". Yet the Directive would leave the machinery of consultation to be determined largely by agreement in a flexible manner.

The draft Directive, it is true, lays down a minimum floor to ensure that these rights are not evaded — for example, its requirement that workers in these transnational enterprises should have the right to be informed and consulted about management proposals "likely to have serious consequences for the employees of the undertaking". In several other Community countries workers have rights of this kind. In Britain as yet they do not.

The core of the British govern-

ment's objection to the Directive is its objection to there being enforceable rights for workers. That is why the secretary of state's recent initiative (report, April 23) proposed steps began at Community level, not by a binding Directive, but by a Recommendation which would not create legal obligations.

Unhappily the CBI seems to share this approach. Mr Price objects to the Directive because it is precise (which is true), detailed (which is true as to the legal floor) and highly prescriptive. This last factor is the crucial one. The issue is not whether the CBI will continue to encourage employee involvement when it suits management, good so far as it goes, but whether it will accept a minimum standard of rights for workers in Britain of the kind known in many other countries whose employers have not thereby lost their competitive edge against us.

Yours sincerely,
WEDDERBURN of CHARLTON,
House of Lords.
May 2.

Bowled over

From Miss Bridget Cusheen

Sir, On the same day as the government was releasing details of its campaign for a healthier Britain, with the responsibility for ultimate success lying heavily on the shoulders of women, the MCC's annual general meeting was busy finding trivial excuses to prevent Rachael Heyhoe-Fleet from reaping the rewards from the sport she has served so long and so faithfully (report, May 2).

She is not allowed into the pavilion at Lord's, even on important match days. Why not? Who has done more to promote cricket to both boys and girls? Meanwhile, schoolmasters, retired and under-25 members can enjoy a reduction in their subscriptions and admission to the pavilion.

Yours faithfully,
BRIDGET CUSHEEN (Women's delegate, World Association of Veteran Athletes),
156 Michelson Road,
West Croydon, Surrey.
May 2.

From Mr J. D. S. Graham
Sir, The MCC made a special arrangement by which the prime minister could join the waiting-line queue and become a member (report, April 25). This week it voted against the admission of women. To resign from the MCC would be discourteous to the small number of people who facilitated the prime minister's membership. Not to resign from the MCC would be discourteous to a majority of the country's citizens, not merely all women but a great many men as well.

Yours faithfully,
J. D. S. GRAHAM,
21 Warwick Avenue, W9.
May 3.

Accident causes

From the Chairman of the Medical Commission on Accident Prevention

Sir, Your leading article of April 25, "Taking a running jump", clouds a very important aspect of injury prevention. Consideration of the "hidden cause" and human factor behind many accidental injuries does not diminish the value of making the interface between man and his environment safer, with the obvious benefit of reducing the number and severity of injuries.

You imply that the value of seat-belt legislation has been negated by disinhibiting falsely secure drivers, but the dramatic reduction in injuries and deaths from road accidents, and in particular the reduction in severe facial injuries, shows that this is clearly not the case. In 1985 the Birmingham University accident research unit found that front seat-belt legislation had led to a 23 per cent reduction in death and serious injury.

Finally, some statistical errors in your leading article, and in the report which you carried in the same

issue, need correction. Slips and falls account for three million injuries per year, not the 500,000 which you quote (these were pavement accidents); and falls from stairs in the home amount to 235,000, not 10,000.

Yours sincerely,
DAVID EVANS, Chairman,
Medical Commission on Accident Prevention,
35-43 Lincoln's Inn Fields, WC2.

From the Chief Executive of Arthritis Care

Sir, Your light-hearted attitude to the report on the half a million people injured each year through slipping or tripping ignores the fact that we are not all able to run or jump or even break into a trot when we want to.

This deplorable view is one of the reasons why so many people with disabilities find life so difficult. It is really not worth even making surfaces and pavements level because it may encourage people to run faster along them?

Yours sincerely,
JEAN GAFFIN,
Chief Executive,
Arthritis Care,
5 Grosvenor Crescent, SW1.
April 25.

General's role in battle for Crete

From Colonel Lord Freyberg

Sir, Your Diary item today about the role of General Freyberg in the battle for Crete mentions Anthony Beevor's forthcoming book. The book says that my father, General Freyberg, who was in command of Allied Forces in Crete in May 1941, misunderstood and misread the Ultra intelligence with which he was provided, and failed to take the necessary remedial action.

This is not correct. Freyberg indeed was warned on May 11, 1941, that the whole of the initial German assault on Crete was coming by air, and that the seaborne force was not due to appear until D plus 3, but he was not permitted to act on the information.

A letter from General Wavell, C-in-C Middle East, to Freyberg, dated May 8, 1941, makes it clear that Wavell himself had briefed Freyberg about Ultra, but had forbidden him to mention the source to anyone else on Crete. My father told me about this briefing shortly before he died in 1963, when Ultra was still highly classified.

The rules governing the use of Ultra were extremely clear and very strict. Commanders in the field were never allowed to act on information derived from Ultra alone. This rule could be relaxed only on specific instructions from London, and even Wavell did not have the authority to vary the order.

Freyberg had the complete German operational plan in his possession nine days before the attack began on May 20, but he was not allowed to make use of it. He told me that Brigadier Eric Dorman-Smith, acting director of military operations at GHQ Cairo, instructed him to warn Wavell that Crete could not be held unless the Ultra rule was changed. This was because most of the troops were still deployed along the beaches instead of being on or near to the airfields.

Wavell replied by special air courier letter on May 13, reaffirming the prohibition on re-deployment, saying that the authorities in England would sooner lose Crete than risk jeopardising the Ultra secret. As Martin Gilbert put it, in *Finest Hour: Winston S. Churchill, 1939-1941*, "had the Germans learnt that Britain was decrypting the Enigma messages, the single most important British advantage of the war would have been irretrievably lost".

Wavell later recommended Freyberg for the KBE for his services in Greece and Crete. It is unlikely that he would have done so if Freyberg had not carried out his orders implicitly, in spite of the personal cost to his own military reputation.

Yours faithfully,
FREYBERG,
Munstead House,
Godalming, Surrey.
April 30.

ODA priorities

From the Minister for Overseas Development

Sir, Britain's overseas development programmes are designed to promote sustainable development which will help to reduce the risk of famine in the future. We must also respond effectively when disaster occurs and we certainly do not finance prestige projects, as Marc Gordon (May 2) seems to think. Every project is subject to economic and technical appraisal to ensure that it produces a real benefit to the recipients and value for money for Britain.

We repeatedly make it clear that those countries which adopt sound economic policies and practise good government will get our support. We work closely with the IMF and the World Bank to develop economic liberalisation and promote free markets.

Marc Gordon says that we should encourage private-sector activity, free trade and political, legal and economic conditions for successful growth in the Third World. This is precisely what we are doing.

Yours etc.,
LYNDA CHALKER,
Overseas Development Administration,
Eland House,
Stag Place, SW1.
May 2.

Snookered

From Mr H. R. Underhill

Sir, The snooker player with a lead greater than the value of the balls left on the table (letters, May 1, 2, 3) could be described as "in surplus"; or, if that is too prosaic, as simply, "cosy".

Yours faithfully,
H. R. UNDERHILL,
North House,
Binderton,
Chichester, West Sussex.

From Mr H. J. Wildbore

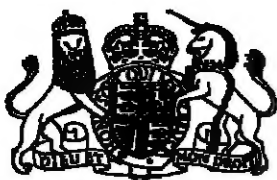
Sir, Could we, perhaps, borrow "potbound" from horticulture for the player needing snookers?

Yours faithfully,
H. J. WILDBORE,
Shoreham Cottage, 1 Beech Manor,
Pontesbury, Shropshire.

From Mr Malcolm Boyd
Sir, Why not take a cue from the game of bridge and call a player "vulnerable" when he "needs snookers"?

Yours faithfully,
MALCOLM BOYD,
211 Fildes Road,
Llanishen, Cardiff.

Weekend Money letters, page 30



COURT CIRCULAR

BUCKINGHAM PALACE
May 3: The Queen and The Duke of Edinburgh arrived at Kirkby Stephen Railway Station this morning and were received by Her Majesty's Lord-Lieutenant for Cumbria (Sir Charles Graham, Bt).

The Queen and The Duke of Edinburgh then drove to the Market Square, Kirkby Stephen, where they were received by Mr. T. Stoddard (Chairman, Kirkby Stephen Parish Council) and visited the Factory of Hereditas Limited (Mr. T. Abel-Smith, Managing Director).

Afterwards Her Majesty and His Royal Highness visited Sedburgh School, when Her Majesty confirmed the Grant of Arms to the School and unveiled a commemorative plaque.

Having toured the School, The Queen, with The Duke of Edinburgh, honoured the Headmaster (Dr R.G. Baxter) with her presence at luncheon.

In the afternoon The Queen, with The Duke of Edinburgh, visited Penrith and reopened the refurbished Mansion House (Councillor J. Copley, Chairman, Eden District Council).

Her Majesty, with His Royal Highness, then opened the new extension of Tullie House Museum, Carlisle, visited a commemorative plaque and toured the Museum, escorted by the Mayor of Carlisle (Councillor J. L. Amos).

Later The Queen and The Duke of Edinburgh were present at a service in Carlisle Cathedral to commemorate the 450th Anniversary of the Foundation of the Cathedral and were received by the Bishop of Carlisle (the Right Reverend I. Harland).

The Lady Farnham, Sir Kenneth Scott, Mr John Haslam and Lieutenant-Colonel Blair Stewart-Wilson were in attendance.

This morning The Princess Royal, Patron, College of Occupational Therapists, opened the Iris Fickert Building, the Derby School of Occupational Therapy, 138 Whitaker Road, Derby.

Her Royal Highness was received by Her Majesty's Lord-Lieutenant for Derbyshire (Colonel Peter Hilton).

Afterwards Her Royal Highness opened the new facilities at Kettering General Hospital, Rothwell Road, Kettering and was received by Her Majesty's Lord-Lieutenant for Northamptonshire (Mr John Lawther).

Subsequently The Princess Royal opened the Monmouth College Education Centre and as President, Riding for the Disabled Association, met members of the Northamptonshire Branch.

Finally Her Royal Highness opened the new Northamptonshire Record Office, Wootton Hall Park, Northampton, and as Patron, National Association of Victims Support Schemes, met members of the Northamptonshire County Federation.

The Princess Royal was attended by Mrs William Nunnally.

CLARENCE HOUSE
May 3: Queen Elizabeth The Queen Mother today visited Fleet Headquarters, Northwood, and honoured Admiral Sir Jock Slater (Commander-in-Chief Fleet) with her presence at luncheon.

James Walker-O'Connor, Sir Martin Gilliat and Captain Conolly Morris-Adams were in attendance.

KENSINGTON PALACE
May 3: The Prince of Wales, Colonel-in-Chief, Royal Regiment of Wales, received by the Bishop-Colonel Andrew de Lila-Lesner de Seng upon relinquishing command of the 4th (Volunteer) Battalion and Lieutenant-Colonel Mervyn Lloyd upon assuming the appointment of Major-General.

Subsequently His Royal Highness presented The Prince of Wales Trophy to the champion platoon of the 3rd (Volunteer) Battalion, Royal Regiment of Wales.

OBITUARIES

LORD EBBISHAM

Lord Ebbisham, 2nd Baron, international trade envoy, died on April 12 aged 78. He was born on September 3, 1912.

LORD Ebbisham played a leading role in the development of British trade links with Eastern Europe in the 1960s. As president of the London Chamber of Commerce from 1958 to 1961 he had the far-sightedness to encourage the London chamber in its efforts to establish links with the Soviet bloc at a time during the Cold War when such contact was widely regarded as politically risky. He led the London chamber's first trade mission to Yugoslavia in 1960. The success of that mission and the warm and friendly relations which he was able to establish resulted in the formation in 1961 of the Anglo-Yugoslav Trade Council, of which he was the first chairman. In later years when government-sponsored joint trade commissions were established with other East European countries, the Anglo-Yugoslav Trade Council was considered to be working so successfully that there was no need to create a separate one for Yugoslavia.

His efforts also led to the London chamber's first trade mission to Poland in 1961 which again was a great success. As a direct consequence, a British section was created within the Polish Chamber for Foreign Trade, a move subsequently followed by Hungary, Czechoslovakia and Bulgaria. In 1963, he led a trade mission to Moscow, during which Khrushchev aggressively praised the successes of the Soviet Sputnik space programme. Bobby

Ebbisham is reputed to have silenced the Soviet leader with the response: "We are just ordinary British businessmen. We like to keep our feet on the ground." His gentle but quietly to-the-point manner was disarming and effective at every level. On such missions, and on many subsequent occasions, he and his family were able to convey to sometimes ill-informed and hard-line communist officials that they need not always be suspicious of their Western

counterparts. He provided frequent private hospitality at his home in Blechning, Surrey, conveniently located within the 25 miles' travelling limit from central London permitted for Eastern Bloc diplomats.

On one occasion, Yugoslav visitors persisted throughout lunch in referring to this as "government" hospitality, and were only finally persuaded that it was private, not "official", by the arrival of the Ebbishams' youngest daughter



riding Tiddleywinks, their Shetland pony (half house-trained), into the drawing-room of The Old Rectory at Blechning.

Ebbisham was chairman of his family's printing firm, Blades East & Blades, from 1948 to 1967. He remained involved with printing as treasurer of the British Printing Industries' Federation and through his directorships with the printing group, Williams Lea plc, which he retained until 1990. He demonstrated his practical printing skills when, as a prisoner-of-war in Eichstätt, Germany, he printed a 32-page prison camp monthly magazine - he and a fellow officer having persuaded the German authorities to release them from the prison camp without a guard each month to visit the local printworks where he worked the printing presses himself.

Ebbisham was a member of the Court of Common Council for the City of London for 36 years, and became Chief Commoner in 1967 - the first peer to do so. He was Master of The Mercers' Company 1963-64 and chairman of the company's education committee for many years. His quiet efficient style was responsible for seeing through a number of important projects within the schools and almshouses administered or supported by the company. He was deputy chairman of St Paul's School and of St Paul's School for Girls.

He was also chairman for 20 years of The Mental After-Care Association and he captained Surrey Cricket Club Second XI in the early 1950s.

He is survived by his wife and by their three daughters.

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GABRIEL CELAYA

Gabriel Celaya, Spanish poet and critic, died on April 18 aged 80. He was born on March 18, 1911.

THE socialist poet Gabriel Celaya was a brave and worthy man who defied the principles of the Franco regime with some skill, cunning and success. As a poet he was prolific, publishing over 50 collections. He is probably in the category of "interesting" rather than "major", but his integrity, for the preservation of which he paid a consistently high price, was exemplary.

He was born Rafael Gabriel Múgica Celaya in the Basque region of Spain. At 16, he moved to Madrid, where he eventually enrolled in the school of engineering. But while living at the Residencia de Estudiantes he came into contact with the poets of the "Generación de 27" (Lorca, Alendáez, Alonso and others), and with the younger writers whom they influenced. Excited by these influences, he wanted to devote himself to a literary life, and was devastated to have to turn his

back on it and return home to join the family business. But, in 1935, he did so. At the same time he published his first collection, *Marea de silencio* (Tide of Silence) under the name he was thereafter to adopt as a writer, Gabriel Celaya. His second book, *La soledad cerrada* (Enclosed Solitude) could not be published owing to the civil war but he was nonetheless awarded the Becquer centennial prize for it. After a great deal of personal friction he had broken away from the family business after only a few months and returned to Madrid to do what he really wanted to do. The outbreak of the civil war changed all that and by 1938 he was back at home with the firm.

His early poetry had been surrealistic, influenced mostly by Alexandre and French poets of the same dreamy sort: all moonlight, seascapes, angels and virgins - rapturous, verbally skilled, but over-effused with the inexplicable, and rather lacking in control. The civil war and its results caused him the deepest possible anguish; he also profoundly disliked the job he was doing. He felt himself to be "silenced in a totally hostile environment", as he later put it. Everything changed for him in 1946, when he met Amparo Gastón, the woman who helped him to alter his pessimistic view of the world and begin a new career as a writer. He joined the Espadista group, which had been formed by the poets Victoriano Cremer, Eugenio de Nora (historian of the modern Spanish novel) and others. This group came to be known as the "social function" of poetry. Celaya coined the phrase: "Poetry is not an end in itself, but a means of transforming the world."

In the period 1947-62 he and Blas de Otero were the leading Spanish "social poets". Suddenly with *Tranquilmente hablando* (Speaking Quietly, 1947) his poetry became simple and directed, not to a literary elite, but to the "masses" (as he put

it). *Paz y concierto* (Peace and Concert, 1953) and *Canas ibéricas* (Spanish Songs, 1955) typify this mood, and in these and many other volumes he pursued the theme of poetry as a vehicle for social change as vehemently as the circumstances allowed. In 1956 he made a dramatic break with his family.

Spain may, by its terrible political problems, have lost a major poet in Celaya; much of his work in this period in particular is crude in its anti-aestheticism and its rough anger. He may have felt this himself, for he tried to turn back to his old style in *La linterna sorda* (The Deaf Lantern, 1964) and to find his own voice in an expression of the absurd. His running commentary on the Spain of the 20th century as seen by a humane and conscientious man, however, is in many of his books of criticism, is informative and clearly written. His single best book of poetry is probably the delightful and relaxed *Buenos días, buenas noches* (Good Morning, Good Night, 1976).

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Weekend birthdays

TODAY: Mr Frith Banbury, theatrical director, 79; the Rev Professor C.K. Barrett, theologian, 74; Miss Joyce Bowler, chairman, Mail Order Publishers' Authority, 62; the Right Rev D. Farnborough, Bishop of Bedford, 62; Sir Brian Hastings, former MP, 70; Miss Audrey Heppburn, actress, 62; Sir David Hildyard, diplomat, 75; Sir Charles Irving, MP, 68; Sir Edward Pickering, executive vice-chairman, Times Newspapers, 79; Frances, civil servant, 62; Mr Michael Palin, writer and actor, 48; Lady Plowden, former chairman, IBA, 81; Mr Barry Reed, chairman, Theatre Museum, 57; Mr Terry Scott, actor, 64; Sir Norman Siddall, mining engineer, 73; Lord Stoddart of Swindon, 65; Mr Eric Sykes, comedian, 68; Miss Gillian Tindall, novelist and historian, 53; Mr John Watson, racing driver, 45; Professor Basil Vamey, economist, 72.

TOMORROW: Sir Michael Angus, chairman, Unilever, 61; Mr

V.S. Anthony, former headmaster, Cady School, 53; Professor Monica Cole, geographer, 69; Mrs E.M. Conran, museum curator, 52; Sir Alan Donald, diplomat, 60; Sir Charles Fletcher-Cooke, QC, former MP, 77; Miss Joanna Foster, "chair" of the Equal Opportunities Commission, 52; Sir Victor Garland, Australian diplomat, 57; General Sir Charles Harrington, 81; Dr John Havard, former secretary, BMA, 67; Sir Brian Hayes, civil servant, 62; Mr Michael Palin, writer and actor, 48; Lady Plowden, former chairman, IBA, 81; Mr Barry Reed, chairman, Theatre Museum, 57; Mr Terry Scott, actor, 64; Sir Norman Siddall, mining engineer, 73; Lord Stoddart of Swindon, 65; Mr Eric Sykes, comedian, 68; Miss Gillian Tindall, novelist and historian, 53; Mr John Watson, racing driver, 45; Professor Basil Vamey, economist, 72.

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Queen in Glasgow for the Gulf war service

THE national Gulf war memorial service will take place today at Glasgow cathedral, attended by the Queen, the Duke of Edinburgh, and the Prime Minister, amid security precautions never seen before in the city.

The service has been criticised by many who believed it would be a glorification of the victory over Iraq. But attitudes have calmed after assurances that the service will be one of remembrance rather than triumph and will emit a call for concord between the former warring nations, in spite of the plight of the Kurds.

At the front of the congregation's minds will be the continued suffering of those families, many of them Scots, who lost their sons. Its emphasis will be

on the unification of peoples and the service will have an ecumenical flavour.

Although it is being held in Scotland, the Archbishop of York, Dr John Habgood, will preach the sermon. The Rev Dr William Morris, the cathedral minister, will conduct the service. Glasgow cathedral will be filled with more than 1,000 guests including relatives of those killed. It was reported yesterday that one Scottish family who lost a son would not attend as it felt the service was being held too soon after the war and that it would contain an element of thanksgiving.

Much of Glasgow will be cordoned off because of security arrangements and motorists have been urged to stay away. Spectators have been told to arrive early for the service, which begins at noon.

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NOEL REILLY

Noel "Peter" Marcus Prowse Reilly, CMG, a key figure in Anglo-Kuwaiti economic affairs in the 1950s, died in New Hampshire, USA, on April 22 aged 88. He was born on December 31, 1902.

"PETER" Reilly took part in the delicate negotiations in the early 1950s which led to the establishment of a Kuwaiti investment office in London. He then served for six years in the Gulf as the Treasury's economic counsellor attached to the Foreign Office at a time of great change in the Arab world.

The negotiations which began in 1952 under the direction of Sir Roger Makins (now Lord Sheffield), then a deputy under-secretary at the Foreign Office, led to the swelling oil revenues of Kuwait being brought under the restrictions applying to the rest of the sterling area and were crucial to the stability of the currency. The difficulties arose from Muslim sensitivities over lending money at interest and from Kuwaiti concerns about accepting limitations.

Despite his lack of Arabic and experience of the Middle East, Reilly was admirably qualified to ally such fears and win the confidence of Arab economic ministers. He was an instinctive radical and free thinker who understood the quickening currents of Arab nationalism and sympathised with regional aspirations. During the Suez crisis which erupted midway through his six years in the Gulf he was strongly opposed to the policies of his own government.

His individualism and independence of mind were inbred. After University College School, London, he went to Gonville and Caius College in Cambridge to read agriculture. He then switched to English but did little work at either, devoting his time to the mountaineering club of which he became president. He left Cambridge with only a pass degree in consequence.

Unhappily, he set out to circumnavigate the globe, teaching at a school in Boston, Mass., selling Christmas cards in Vancouver, then tractors in

New Zealand, where he set his first wife. Returning at last to this country he found himself caught up in the depression and moved from one non-job to another until in the late 1930s he became secretary of the area committee for national fitness in Oxfordshire, Berkshire and Buckinghamshire, a forerunner of the Central Council for Physical Recreation.

He had meanwhile, however, become a passionate Fabian economist, convinced that the government's policies were wrong, and published his own views in a book, *The Key to Prosperity*, in 1931. After serving as a press censor during the war he inherited what was then a substantial legacy and took the opportunity to develop his new interest in economics. He enrolled as an external student at London University and, after completing a three-year degree course in nine months, took a first class degree, passing out among the top 15 of his year.

On the strength of his he joined the Treasury in 1946 as a late entrant and, after passing several years in Whitehall, was dispatched to the Gulf. The CMG was the reward for his work there. In 1960 he was made financial counsellor and deputy head (under Sir Douglas Wess) of the Treasury delegation at the British embassy in Washington. He served as alternate director of the World Bank while he was there and finally retired in 1965.

"Peter" Reilly's life remained unorthodox, however. An outdoor enthusiast who, even as an official in Whitehall, preferred running along the beach and climbing mountains to the social round of diplomatic parties, he set the rapids on the Colorado River in a canoe while in hisipias, was still skiing in old age and at 70 successfully took his PhD.

His first marriage was dissolved in 1963, after which he married again in the United States and settled in New Hampshire with his second wife. He is survived by her and by a son and daughter from his first marriage.

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RICHARD HATFIELD

Campbell Gordon writes:

RICHARD Hatfield was not only flamboyant as your obituary said, but was a man of tremendous personal kindness and generosity, as well as the thoughtfulness for others. This gave him a vast network of devoted friends who were always delighted to be awakened in the early hours of the morning by a long distance telephone call to replace with his colourful recitation of the previous day's events.

An ardent and devoted monarchist, with an eclectic and amusing cast of mind, Hatfield pursued a wide range of interests from doll collecting and foreign political conventions to the funerals of African statesmen. People

nearly always responded to his warm and responsive manner, and his uncritical interest and trust in others may have caused some of his political difficulties. Hatfield's political life was motivated by the overriding principle that Canada is composed of two founding peoples who must take the effort to appreciate the strength and richness of each other's community. He was as much loved among French-speaking nationalist Quebecers as his large Canadian constituency of empire analysts and admirers.

His many friends will always regret the loss of a sensitive and thoughtful man who, like Cyrano, never lost his panache.

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Church services tomorrow

Rogation Sunday

ALL SAINTS, LONDON: 11.30. St. Paul's Cathedral, 11.30. St. Martin-in-the-Fields, 11.30. St. James's Park, 11.30. St. George's, 11.30. St. Andrew's, 11.30. St. John's, 11.30. St. Peter's, 11.30. St. Philip's, 11.30. St. James's, 11.30. St. George's, 11.30. St. Andrew's, 11.30. St. John's, 11.30. St. Peter's, 11.30. St. Philip's, 11.30. St. James's, 11.30. St. George's, 11.30. St. Andrew's, 11.30. St. John's, 11.30. St. Peter's, 11.30. St. Philip's, 11.30. St. James's, 11.30. St. George

Farmer's diary: Paul Heiney

Spring is on the hoof

DID the earth move for you this week? It moved for me. At the beginning of May we release the carthorses from their winter captivity and give them the freedom of the meadows. They have spent six dreary dark months living in their stable by day (when not at work on the fields) and by night they have rested in a strawed yard, sheltered from the cold in a lean-to, and munched dry hay. They do not complain. In fact, if I were to turn them on to the barren winter meadows they would stand at the gate and plead to be brought back in.

By April they feel the spring coming. Instead of plodding aimlessly round the yard at night, they stand sniffing the air, sensing the rising of the sap and the succulence returning to the grass. They look longingly over the gates and wait for their freedom. Some years it comes earlier than others, but this year, with an acute shortage of winter rain, persistent cold winds and no artificial fertilisers to speed things up, our meadows are slow to grow. Liberation has been a bit late, but when it comes it is a moment to savour.

At first they are nervous, but as soon as they see the grass and the first of their bugle feet hits the meadow they fling their heads down with the force of hammer on anvil to bury their noses in it. Their great teeth rip the grass from the earth, and I swear their eyelids flicker in ecstasy.

This state lasts for only a few minutes. Such is the delight of the fresh grass that they must celebrate in movement. One horse will start to trot round the field, flinging its head high. This will distract the other and together they will trot, faster with each circuit. One will turn on the spot and kick out playfully at its mate, who will brake sharply with a slither and gallop in the other direction. Then they pause, breathless,

until overcome by the headiness of the occasion they charge again, probably in the other direction. The scene can appear violent, but if you know the horses you can tell their bodies are coursing with delight. It can last for half an hour: biting, kicking, bucking, galloping, munching, playing.

Then comes the collapse. To watch a horse the size of a Suffolk Punch fall to the ground is to see a heavy-weight boxer turn suddenly into a ballet dancer. It happens very slowly. Their heads droop as though they are going to faint; then their legs go to the knees as if turned to jelly; but they are in controlled descent, for as soon as they reach a few inches off the ground they shift their weight to one side so as to land their bellies with hardly a bump. A ton of horse has come to rest. Then, with a mighty heave and grunt, they twist themselves on to their backs and rub and rub until some climactic satisfaction overtakes them. Their insides must slosh from side to side, for the accumulated gas produced by the rapid intake of fresh grass comes bellowing out of their rears with a force sufficient to wake the dead in the parish. While one horse is indulging in this massage, the other may still be at the gallop. This is when the earth moves. You can feel it several fields away. You hear a rumble of galloping hooves, punctuated by the rasping report of a gaseous escape. You can keep your dawn chorus and your cuckoos; these are my harbingers of spring.

This is not the time for introspection, however. The grass is growing, showers of rain are forecast. And I do believe I can feel a warm wind on my cheek. But perhaps it is only the other horse who has taken to his back and is saluting the turn of the season with a trumpeted flourish that only a rolling carthorse can emit.



BEASTS & BIRDS

LONDON

Spring babies: Ducklings, goslings, lambs and kids in this city open space. *Coram's Fields City Farm, 93 Gullford Street, WC1 (071-837 6138). Daily, 9am-7pm; free; no adults without children.*

Monday special: All the regular zoo residents, plus home-cooking and crafts, and the chance to go behind the scenes at the aquarium and other areas usually closed to visitors. *London Zoo, Regents Park, NW1 (071-722 3333). Daily, 9am-6pm; adult £5.30, child £3.30.*

Butterfly Houses: Exotic butterflies flying free in an indoor jungle. *Syon Park, Brentford, Middlesex (081-560 7272). Daily 10am-3.30pm; adult £1.50, under-15s £1.10, family ticket £5.50.*

Shire stables: Working dry horses in their impressive old stables. Also a collection of geese, ducks and goats. *Young & Co, The Ram Brewery, Wandsworth High Street, SW18 (081-870 0141). Tomorrow, 11am-12.30pm; free.*

BADMINTON
Waltham championships: Cross-country from 11.15am today; showjumping tomorrow. *Badminton, Avon (045 421272). Today £20 per car; tomorrow £10.*

BIRMINGHAM
Dawn chorus walk: Hear the birds sing. *Strictly for early risers. Rea Valley, RSPB Woods, Moor Green Woods (021-442 4226/472 7781). 10am-12pm, returning for breakfast. Free, pay for breakfast.*

BRIGHTON
Horse driving trials: Dressage, marathons and obstacle driving courses. Also heavy horses on show, dog agility classes and trade stands. *Stanner Park, Brighton (0273 677188). Today from 8.30am for dressage and cross-country marathon; tomorrow, 8am-2.30pm, for marathon and obstacle course; free for pedestrians, £8 car-parking.*

DUNSTABLE
Whipsnade new arrivals: Bear and tiger cubs, a white rhino calf and a newly hatched vulture named Vince are among the attractions. *Whipsnade Wild Animal Park, Bedfordshire (0552 872171). Today, 10am-6pm; tomorrow, Mon, 10am-7pm; adult £5.95, child £3.95, OAPs and students £4.95.*

EDINBURGH
City zoo: Daily activities include a penguin parade at 2.30pm and sealion feeding at 3pm; new baby chimp. *Edinburgh Zoo, Corsorphine Road, EH12 (031-334 9171). Daily, 9am-6pm; adult £3.85, child £2. Butterflies and insects: Scorpions and tarantulas on show, as well as lots of exotic butterflies. *Melville Nurseries, Lasswade, Midlothian (031-663 4832). Daily, 10am-5pm; adult £2.65, OAPs £2.05, child £1.50, under-fives free, family ticket £7.65.**

GLASGOW

Guided walk: Explore Dawsholm in an hour-long country trail to see woodland flowers and park bird life. *Dawsholm Park, Iley Road (041-632 9299). Tomorrow, main gate 2pm; free.*

HARROGATE

Sheepdog trials: About 100 shepherds and their dogs compete. *Ryedale Sheepdog Society, Skipton Road, Fawcett, North Yorks (0751 747700). Mon, 7.30am until dusk; free.*

HIGH WYCOMBE

Horses at home: More than 100 retired horses, ponies and donkeys. *Speen Farm, near Lacey Green, Buckinghamshire (0494 488464). Daily, 2-4pm; free.*

LINCOLN

Hatching time: Spot the first goslings and ducklings hatching in nests all over the reserve. *Wetlands Waterfowl Reserve and Exotic Bird Park, Sutton-cum-Lound, Reford, Lincolnshire (0777 818099). Today, tomorrow, Mon, 10am-5.30pm; adult £1.50, child £1, registered disabled 50p.*

LOOE

New baby monkey: Two-month-old Oscar meets his public. *Monkey Sanctuary, near Looe, Cornwall (05036 2532). Tomorrow, 10am-5.30pm; adult £3, child £1.50, OAPs £1.50.*

MANCHESTER

Rare farm animals: Patagonian cavies and Iron Age pigs are the unusual new arrivals. *Lamb, fawns and goat kids. Sherwood Forest Farm Park, nr Edwinstowe, Notts (0623 822255). Today, tomorrow, Mon, 10.30am-5.30pm; adult £3, child £1.25, OAPs £1.50.*

PORTSMOUTH

Heavy horse parade: More than 50 horses, including shires, Percherons and Clydesdales. *Castlefield Arena, Southsea (0703 834146). Mon, harnessing begins 11am, parade assemblies at noon, and procession starts at 12.30pm; free.*

TUNBRIDGE WELLS

Country May Day: Day rides with the Whitbread shire horses, owl-flying displays (wind permitting) and new arrivals in the pet corner. Also, Morris dancers, maypole dancing and a showbiz football match at 3pm. *Whitbread Hop Farm, Belling, Paddock Wood, Kent (0622 872408). Today, 10am-6pm; adult £3, child £2.*

WINCHESTER

Conservation collage: Exhibition of artwork by Hampshire Cubs, Beavers, Scouts, Guides, Rainbows and Brownies. *Young jaguar cubs in the 100 acre park, which is home to 1,000 animals, mostly endangered species. Marwell Hall Zoological Park, Colden Common, Winchester (0962 774466). Today, tomorrow, Mon, 10am-6pm; adult £4.80, child £3.70, OAPs £4.20.*

SUE MOORE



Hard at work: heavy horses are in the fields again. Some will be on parade near Portsmouth on Monday

FAIRS & FESTIVALS

LONDON

Magic festival: Members of the Magic Circle perform and demonstrate their skills. Also stalls and exhibitions. *Covent Garden, WC2. Today, tomorrow, Mon, 11am-6pm; free.*

Canalway cavalcade: About 100 boats from the London branch of the Inland Waterways Association gather for pagania, fireworks, a teddy bear's picnic and a procession of illuminated boats. Also craft stalls, folk music. *Little Venice, W9. Today, tomorrow and Mon, 10am-6pm. Boats pageant, today 2.30pm; teddy bears' picnic, tomorrow 3pm; illuminated procession, tomorrow 9pm. Free.*

Wheels of yesterday: Large gathering of vintage commercial vehicles, an oldtime fair, stalls, auto-jumble and steam engines. *Crayke Palace Park, SE19. Today, tomorrow, Mon, 10am-5pm; free.*

BARNARD CASTLE

Escale society in combat: Thirteenth century knights do battle. Also mime, dance, and a tourney. *Barnard Castle, Co Durham (0833 38212). Tomorrow, Mon, from 2pm; adult £3, child £2.*

BIGGLESWADE

Shuttleworth flying start: Historic planes airborne, with emphasis on women in aviation to commemorate first woman to gain a pilot's certificate - Mrs Hilda Hewitt in 1911. Plus free-

falling members of the Metropolitan Police parachute team. *Old Warden Aerodrome, Bedfordshire (0767 27288). Tomorrow, gates open 9am, display 2pm.*

BOLSOVER

Medieval tournaments plus falconry training demonstrations and a talk on birds of prey. *From 1pm. Bolsover Castle, near Chesterfield, Derbyshire (0246 825349). Tomorrow, Mon from 3pm. Modest charge.*

CHICHESTER

Guild of Sussex Craftsmen: Craftpeople celebrate the guild's 21st birthday with many demonstrations. *Wield and Downland Open Air Museum, Singleton, West Sussex (0243 63348). Today, tomorrow, Mon, noon and 2.30pm.*

DOVER

Medieval combat: Skills-at-arms and archery with knights and soldiers of the Order of the Black Prince. *Dover Castle, Kent (0304 201628). Mon, noon and 2.30pm.*

OXFORD

May Day: Variety of bands from rock to jazz, craft, produce, and other stalls, a number of "green" events. *South Park, Mon.*

PORT TALBOT

Medieval charity day: Jousting display, marching bands competition, craft fair and medieval diversions. *Margam Park, West Glamorgan (0639 881633). Mon, 10am-6pm; £2.50, family ticket £7.50.*

ROMNEY

Victorian May picnic: Wear Victorian dress and take a picnic. Brass and jazz bands, croquet, Morris dancers. *High Elm Park, Romney, Kent. Tomorrow, 11am-5pm; free.*

ROSS-ON-WYKE

Medieval pageantry: Knights, ladies, dancing, drama, and a mini-tournament, with members of the Medieval Heritage Society. *Goodrich Castle, Herefordshire (0400 890338). Tomorrow, Mon, from 2pm, adult £2.50, child £1.*

SANDWICH

Corridors of time: Displays showing the development of Roman armies, weapons, and tactics in Britain over a 350-year period. *Richborough Castle, Kent (0304 612013). Tomorrow, Mon, 2pm and 4pm; adult £2.50, child £1.*

WEYMOUTH

International beach kite festival: Demonstrations, competitions and stalls in two large flying areas. *The Esplanade, Dorset. Today, tomorrow, Mon.*

WOBBURN

Spring craft fair: Large annual fair with many exhibitions, some demonstrating skills. Also falconry and other entertainments. *Woburn Abbey, Bedfordshire (0525 290666). Today, tomorrow, Mon, 10am-6pm. Admission to park, £2.50 per car; to fair, adult £2, child £1.*

JUDY FROSHAUG

The Times Prize Jumbo Crossword

Test your word power in our bank holiday competition

Concise Jumbo

There are no prizes for this crossword. The solution will appear on Monday

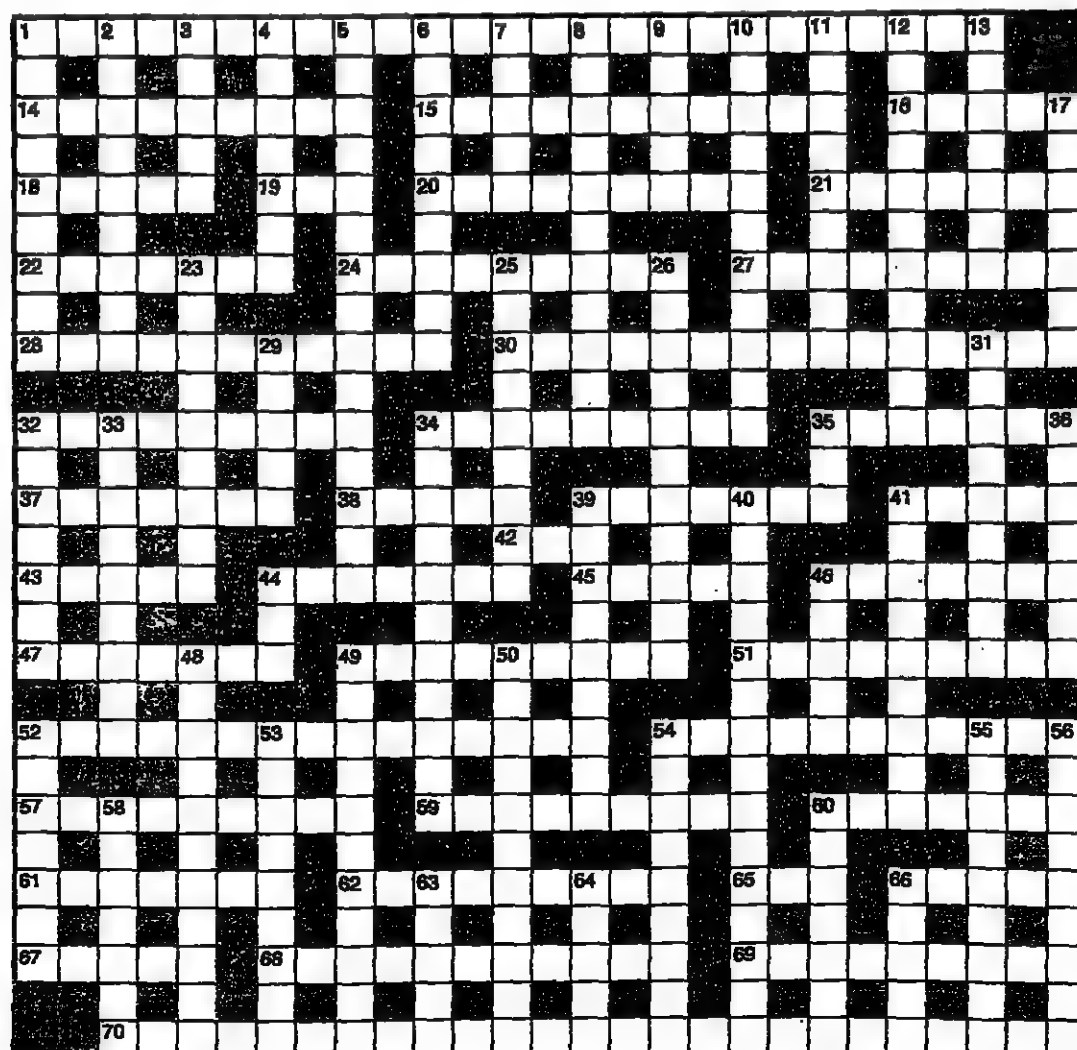
ACROSS

- 1 How travel-fund of seagoing elopers was held by the Old Bill, we hear (7, 2, 2, 1, 4-5, 4).
- 14 Deep breath? (3,6).
- 15 Carelessly, he blew shaft of hand-cart (11).
- 16 So much gas from Hilary, for example, going round hospital! (5).
- 18 "The — increase every day" (*J Caesar*) (5).
- 19 Short notice? Job-centre will make a fuss (3).
- 20 Being about 21, a lot dance with abandon (9).
- 21 Falsehoods from politicians pursuing Sunday opening (7).
- 22 Nothing rained off, according to the barometer (7).
- 24 Corresponding, I study ancient coin (9).
- 27 Gargantuan soldier, very industrious (5-4).
- 28 He has no will to stop car approaching street (11).
- 30 New motoring article concerned with angular calculation (15).
- 32 Soldiers calling for amnesty (9).
- 34 Trumpets and horns introduce outline of action of "The Perfect Fool," for example (9).
- 35 This songbird flags (7).
- 37 Copper's today without a care! (7).
- 38 Craft put in the dustbin (5).
- 39 Father going round Italian square with quick light steps (3-1-3).
- 41 A married girl is out of bounds! (5).
- 42 Silver ring in the past (3).
- 43 A customary tax for a four-day meeting (5).
- 44 Flower of Thessaly's summer? (7).
- 45 Cunning move reported in the county (5).
- 46 Win over Bill in horse-race (7).
- 47 Disagreeable, the German wind! (7).
- 49 One warned not to settle, for example, near his work (9).
- 51 Deliveries left port with too much in hold (9).
- 52 Grey local editor, turned composer (9-6).
- 54 The Lord of the Rings? (11).
- 57 Dia — a coin no longer used (4-5).
- 59 Flat spoonful given to minor (9).
- 60 Immortal English marine bird with a long tail (7).
- 61 Made second draft for rebuilding tower behind Royal Exchange (7).
- 62 Consider what Archie Rice tried to do (9).
- 65 Band comprising ten instrument ensemble initially (3).
- 66 Precursor not finishing part of long poem (5).
- 67 He made notes for the Washington Post (5).
- 68 Prime suspect, fellow with no class, is not prepared to be torn apart (11).
- 69 Unable to get out after a fall (9).
- 70 Peacock's opening in which the wretch's faults stick out? (3,4,4,3,7).

DOWN

- 1 Refuse to come down for the work of Eliot (5,4).
- 2 Reduction expected in a bargain area? (9).
- 3 Block with standard lines (5).
- 4 Most of parliament difficult for the intransigent? (3-4).
- 5 A sentence should not be terminated in such a manner! (15).
- 6 Shopkeeper who might well suffer from poor circulation (9).
- 7 Worry of charges announced (5).
- 8 Glen has a way of speaking for so long (11).
- 9 Mill Lodge? (5).
- 10 Not strict, using oil — rue the outcome! (11).
- 11 "Towards the Footlights" — blue drama (4,5).
- 12 Partner too hot to change for cricket, say (11).
- 13 They are entitled to retire (7).
- 15 False start at Newmarket, say? (7).
- 23 Iris has a stock of perfume (5-4).
- 25 Term offensive to Greeks, presumably? (9).
- 26 Untied row of willowherb (11).
- 29 Island dismissing head so unfeeling! (5).
- 31 Some solid backing for the papers, under pressure from the top (9).
- 32 Restore miracle play (7).
- 33 Variety in Orsino's food-chamber? (5-4).
- 34 Slave has vest on, brand-new (11).
- 35 Punt in Danube taken out (3).
- 36 Old guitar, if fitted with new head, would be a boomer! (7).
- 39 Upright animal with quarters at the inn was for hire (4-5).
- 40 It causes a reaction to light material on film (15).
- 41 To be of use, fit on tap (9).
- 44 The bearing of a first-class regiment (3).
- 46 Exultation of an ape set free? (5).
- 48 Straight talk from the board (11).
- 49 New guardian should watch over our course (11).
- 50 Signal-carrier in the Royal Navy? (11).
- 52 Commanding Officer short-changed the troops (7).
- 53 Work of this size needs new copper diode on tick (9).
- 54 Controlling females in the colonies? (5,4).
- 55 Buttercups uncurl in a wild setting (9).
- 56 Jealous setter perhaps not a member of the union in America (6-3).
- 58 Canon leads prayer for action (7).
- 60 Soon, Noel will turn out in work-unit (7).
- 63 Land for a row of houses when church is removed (5).
- 64 They were loved once as a family of violin makers (9).
- 66 Firm support for ladies that is dangerous, but does not constrict (5).

Prizes of £50 will be given for the first five correct solutions opened on Monday May 20, 1991. Entries should be sent to May Jumbo Crossword, The Times, 1 Pennington Street, London, E1 9XN. The winners and solution will be published on Saturday May 25.



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SOLUTION TO NO 2474 (Yesterday's concise crossword)

ACROSS: 1 Gobble 4 Evoked 9 Glutton 10 Lhasa 11 Girl 12 Parallel 14 Understanding 16 Efficiency 18 Spot 20 Thump 21 Drastic 23 Rotate 24 Closet
DOWN: 1 Gig 2 Blurred 3 Late 5 Villainy 6 Kraal 7 Deadlight 8 Infanticide 11 Gaulleir 13 Crackpot 15 Impetus 17 Fault 19 Fall 22 Cut

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TELEVISION REVIEW

Sleeping with the enemy, speaking like the natives

My pet theory about Aristotle's famous "lost" treatise on Comedy is rather heretical. My suspicion is that it was not, as is commonly assumed, a great masterpiece lost in the mists of time, but that Aristotle only pretended he had written it, then simply claimed to have mislaid it. Whenever anyone turned up at chez Aristotle asking for a glance at the finished copy, he would brazenly go through the motions of shuffling through his collected works, like a Lost Property Office counter-clerk. "The Comedy, you said? Right, er, let's have a look at this little lot. 'Poetics', no. 'Ethics', no. What's this? Oh, 'Metaphysics', good. I thought that had disappeared." Then he would fall down giddy with relief when they stomped off home.

I do not blame him. Any attempt at a general rule of comedy is doomed to failure. But there are times — such as when watching the last episode of the highly enjoyable series, *Sleepers* (BBC 2, Wednesday) — when a few nice Aristotelian guidelines would be welcome. Watching this climactic episode with mounting dismay, I was gripped by a genuine fear that my heroes, the two KGB "sleepers" (Warren Clarke and Nigel Havers), would really be executed for treason in a snowy Russian forest clearing. I kept reassuring myself that surely the one incontrovertible rule of comedy states that you don't shoot your heroes in the back of the head, or bury them anonymously in the cold, hard ground. Working against this conviction, however, was the knowledge that *Sleepers* was nominated a "comic

Lynne Truss commends a diverting mixture of spies, spoofs and suspense, and a documentary on liquid assets that quench the thirst for power

thriller", and that the first principle of the thriller is that you do not arm somebody with a KGB pistol unless you intend them to use it. (Aristotle, as I recall, is firm on this point.)

Of course, the comedy ended happily. But the clever thing about *Sleepers* was that this suspense was not spurious; it was properly earned. While there was nothing remotely serious about the counter-espionage plot-line in the series, there was always a dramatic potential in the fate of Clarke and Havers that it was impossible not to believe in and care about. I suspect my cries of "Don't let them die!" also owed a lot to the series' high production values. *Sleepers* was produced, directed and filmed (by Caroline Gold, Geoffrey Sax and Remi Adefas) as though it were a straight, high-class drama from the stable of *Black House* or *Tinker, Tailor, Soldier, Spy* — and the benefits were enormous. If it had been shot on video in a studio, much of the jokes in the script revolved around the cross-cultural use of slang. "He'll have my guts for garters," said a mournful Ribena-drinking Soviet

times? I'm sorry", but there is a high risk it would have seemed silly. Clarke and Havers were a delight. Though one would stake one's life that they had never answered to the names Vladimir and Sergei (and they were not old enough, anyway, to have been fully-fledged KGB officers in 1966, the year they had supposedly come to England), they were nevertheless endearing heroes, and pretty convincing as the twin results of a cultural experiment in Englishness: Clarke, the uxorious shop-steward with a heart the size of a barn-cake; Havers, the chisel-faced city whiz-kid, boasting a string of girlfriends, half a motorbike, and a home in Knightsbridge rescuing a leather-armchair euphemism.

What was amusing about the entire set-up, of course, was that simply by speaking in their normal accents and using everyday English argot, Havers and Clarke seemed to be doing something incredibly clever. Many of the jokes in the script revolved around the cross-cultural use of slang. "He'll have my guts for garters," said a mournful Ribena-drinking Soviet

'There are times when Aristotelian guidelines would be welcome'

intelligence man (pronouncing "guts" as "gots"). The way Havers and Clarke consistently expressed themselves in class-conditioned English (example: "I could kill you, you stupid bastard") without a trace of foreign accent was cleverly set up by *Sleepers* as a tribute to the excellence of Sergei and Vladimir's "cover".

Getting the better of your opponent by learning to speak his language was a theme that emerged elsewhere this week in *Water Wars* (BBC 2), the first of a promising three-part series on the role of water in politics. It concentrated on the American West where, since the cities are built on sand, the value of water in the valleys is of far greater interest than that of the gold in "them thar hills".

People are highly water-conscious in the western states. Humble Colorado farmers talk knowledgeably about levels of "ambient moisture". Los Angeles television runs water-conservation advertisements suggesting that saving water is possibly more worthwhile than saving lives; and in Santa Barbara new businesses have sprung up spraying cosmetic green paint on parched dying lawns (thus proving, if nothing else, that it's an ill wind that blows nobody any good).

Water is power. So it is extraordinary that in the midst of all this dedication, the American Indians of Wyoming's large Wind River Reservation have recently won a case in the Supreme Court allowing them ancient water rights. Given the historical background, the idea of Indians being granted access to power of this sort is about as astonishing as seeing water flow uphill.

They ensured their victory by equipping themselves with legal and hydrological expertise, but the decision still came as a surprise to the white farmers who depend on the Indians' water. Their livelihood now hangs on the deliberations of such bodies as the Tribal Business Council and the Tribes Hydrology Centre. One farmer referred to the new power-reversal as being like "a time-bomb that dropped out of the sky" — a confused but graphic image, indicating belief in a malevolent God determined to make sure of his target.

In such a thirsty environment, water is not a natural resource to be measured by the bucket. It is a commodity, to be sucked out of one part of the landscape and pumped to another, with its molecules rearranged en route to assume the shape of dollar-signs. *Water Wars* introduced us to a Colorado "water broker" called Craig who convinces people to invest in his enterprises by showing them maps and asking them to believe that Denver Airport is a "global bridge".

"How much water is up there, Craig?" a potential investor asked, on hearing about a new development site. "Half a million dollars' worth," was the prompt reply. Craig was evidently a shrewd businessman, who exerted a high degree of control over water-transactions in Colorado. It was a rather ghastly thought, but you could imagine that every time a toilet flushes in Denver, a bell rings on his cash-register.



"The uxorious shop-steward and the chisel-faced city whiz-kid": Warren Clarke and Nigel Havers in *Sleepers*

Authentic winds gust through Mozart seascape

THIS is an excellent effort from the Oxford University Opera Club, distinguished by a fine team of young professional soloists, by inspiring musical direction from Jonathan Williams and by the characterful sounds of wind instruments taken out from the university's own Bate Collection.

An attempt at the original high-fibre textures is particularly useful in this score, which Mozart wrote for the crack orchestra of his time, and though, of course, the Oxford band has its problems, Williams does well to make no allowances but to push them vigorously through the work's cascading invention. The splendour and exuberance shine through.

So it does, too, in the singing of the principals, who are helped by Amanda Holden's effective new translation.

Idomeneo
Playhouse, Oxford

tion. Rebecca de Pont Davies sings well as Idomeneo, and sings with a young man's eagerness and firmness of purpose; there is, too, a nice shine on her tone.

Ruth Holton as Lila uses a

sweet voice, not large, with unfailing musicality. Elaine McKrill presents a noble, statuesque Electra, with a vocal fullness that turns the venom into desecrations. Mark Milhofer uses his reedy tenor well to project a portrait of a weak, spiritually wounded ruler.

Alison Brown's production is best when it stays simple: Electra is not helped by having to sing her second-act aria

rolling about on the floor, nor is it a bright idea to have Lila at the start of the last act, gathering tissue-paper roses from cypress trees. But some of Jennifer Siley's economical designs are good, especially the triple tier of Minotaur wave forms created for the coastal scenes.

There is one further performance tonight.

PAUL GRIFFITHS

Peopled by eccentrics

The People's Show
Riverside Studios

THIS group is, to say the least, the theatrical equivalent of the coelacanth; a life-form belonging to a far distant era (late Sixties) which has somehow managed to keep going despite sweeping changes in the climate of art. The People's Show has performed in an upstairs room in Stockwell and in the Caracas opera house, and has directed traffic outside the Kennington Oval.

Show No 97, *Burning Horizon*, is a silent, surrealistic pageant laced with gothic allusion à la David Lynch, and live music which recalls Pink Floyd. It may be 20 minutes too long, but it demonstrates continuing powers of visual invention and refreshingly unbridled eccentricity.

An extensive and intriguingly odd-looking set remains in darkness for the first ten minutes while a couple, sitting at a table, backs to the audience, play a rather charming duet for balalaika and bass sax. After they troop out, the set fulfils its promise by coming to life without human assistance. The table, strewn with rotting vegetables, starts



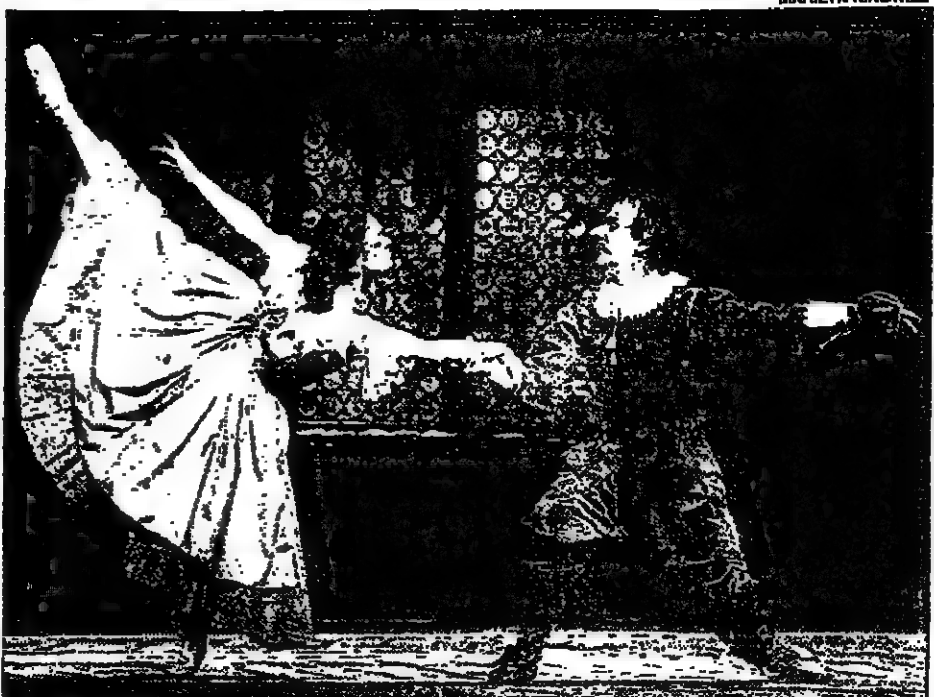
to heave and wobble. A hook on a pulley swings menacingly across the stage like Poe's pendulum. A beached guitar on a dead branch comes into focus; a dress on a hanger whips out of a closet. On the soundtrack, distant crashes mingle with heartbeats, creaking doors and the rest of the BBC horror medley.

But this is The People's Show, not the inanimate objects show. A gardener figure, dressed in green leaves, comes on with a wheelbarrow and a watering can, and fumigates the table which, hoisted on the pulley, has revealed a corpse in a black body bag. He is followed by a pregnant woman who seems alarmed by

every noise (I wonder why), a myopic doctor in a white coat who crashes into things, a man with one golden arm and a hooded musician. The highlight of the show is a game of musical chairs for this collection of oddballs, in which the myopic doctor and the one-armed bandit, for obvious reasons, come off second best.

Later, in a process of renewal, the rotting vegetables are replaced by fresh ones, a woman in white emerges from the body-bag like a butterfly from a chrysalis and all join in a dance which turns violent (shades of *Archais* here). All very odd, but likeable and, in patches, memorable.

HARRY EYRES



Charming performances: Lesley Collier as Roxane and Stephen Jeffries as Cyrano

Mockery muscles into a moonlight serenade

DANCE

Cyrano
Covent Garden

TO MAKE a ballet from a play that is largely about the use of words might be thought perverse, but David Bintley is not the first to try translating *Cyrano de Bergerac* into choreographic terms. His scenario is far more efficiently done than Roland Petit's was, 30 years ago (one of Petit's leading characters was a pistachio ice in a diversionism in Ragueneau's kitchen). Bintley's choreography, premiered by the Royal Ballet on Thursday, is more varied, more expressive. He provides much more comedy. But not, judging from a very distant memory, as much romance or pathos.

For both choreographers a big, bold interpretation of the title role is the piece's main justification. Petit was his own protagonist, transcending the choreography. Bintley has built his ballet on the spirited and subtle dance-acting of Stephen Jeffries (with Ipek Mukhammedov on hand to provide what will doubtless be a different emphasis next week).

Bintley treats *Cyrano* primarily as a comedy, judging that the tragic aspects would take care of themselves. His two finest moments feature the hero in mocking mood. The highlight of Act I is the dual with Valvert: a brilliantly funny dance for the two men to a fast waltz. In Act II, the episode where Cyrano delays

De Guiche by pretending to have fallen from the moon is wonderfully inventive: a taunting solo full of switches and fresh starts, danced with the globe of a street lamp worn on a spaceman's helmet.

For this last episode, Wilfred Joseph's score makes witty use of moon-related quotations from Beethoven, Debussy and Haydn (but how many will recognise this last?). Otherwise, the waltz already mentioned is the only strikingly memorable moment in a score that seems close to film music in its unobtrusiveness.

With help from this and from Hayden Griffin's designs (able, but less imaginative than their previous collaborations), Bintley tells the story clearly enough, except that he has no way of showing that Cyrano and Roxane are cousins.

He even contrives, ingeniously, to give Jeffries two duets with Lesley Collier's charming Roxane — a figure of grace, elegance, playfulness and a touching naivety. Poor Christian, her official lover, is thus even more out-ranked than in the play, but Bruce Sansom gives the best performance of his career to assert the character's individuality:

tough and funny as well as ardent. His mocking of Cyrano's nose with a wine glass is beautifully done.

Bintley uses a high-powered male corps de ballet and provides some good cameo roles, well taken by Derek Rencher, Ashley Page, Guy Niblett and Antony Dowson. But will cheeks that flowed with tears during the *De Paradieu* film do the same here? Jeffries repeatedly shows that he commands pathos, even tragedy, as well as humour. He can even express the two moods simultaneously, for instance in the scene where he mistakes Roxane's confession and thinks she loves him, instead of Christian.

There is also real depth in the moment during the battle scene when he and Christian, on opposite sides of the stage, both realise that it is the letters, written by Cyrano in Christian's name, that she is really in love with.

But the bitter ending seems to lack a really powerful climax. In fact, the first impression is that Bintley's imagination trailed away after the second interval, leaving a disappointing final act in which the most striking moments are the first sight of the muddy trenches of Arras and the unexpected fun of a group of ball-playing St Trinian's-style nuns.

JOHN PERCIVAL

LPO/Nagano
Festival Hall/
Radio 3

MORE on Nikolai Roslavets. After the grave letdown last week of his 1925 Violin Concerto, the London Philharmonic under Kent Nagano on Thursday night introduced his *Aux heures de la nouvelle lune*, or at least some of it, and partly his. What we heard was described as an "edited" version of a Soviet musicologist's completion of an unfinished student piece. The status of such a realisation has to be somewhat dubious, but there was certainly more than enough, even in a performance lasting only 11 minutes, to confirm that Roslavets had his roots well and truly dug into the exotic garden of Scriabin.

The colossal climaxes were there, not only at the end but also perilously close to the start of the piece. Present, too, were the excited trills, the languorous harmonies, the silk-shed textures, the short motifs repeated over and over to achieve or maintain a state of delirium, and even the

Roots in foreign ground



Nagano: leading the London Philharmonic

the recollection, again pale, of Mussorgsky's *Night on the Bare Mountain*. Given that this was 1910, and that Stravinsky, Roslavets's junior by 17 months, finished *The Firebird* that year, one cannot be too impressed. And since Stravinsky himself was, as he later declared, impressed by Roslavets, we need to find out what he could have heard.

It was with Stravinsky that the concert ended, and with it the South Bank's Russian Spring season, the apt choice for a vernal festival occasion being *Persephone*. This performance probably will not have rescued the work from its own *Avernus* of neglect: it is uncommonly even-toned for Stravinsky, and the joke of a cheeky, lopsided derring-do of Orpheus' pseudo-classicism goes on too long.

Still, as Nagano showed, the score is full of wonderfully placed chords, while the tenor solos, beautifully intoned by Anthony Rolfe Johnson, are a step towards the assertive follies of the hero's part in *The Rake's Progress*. Anne Fournet ably spoke the goddess's pronouncements without pretentiousness or embarrassment.

PAUL GRIFFITHS

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THE SUNDAY TIMES

Hockney's Aids gifts

There is a grim reason for the flower pictures. As many of Hockney's friends have been hit by Aids, he has sent photographs of these paintings to their hospital beds to cheer them up. "I have lost 30 to 40 friends through Aids, and it has cast a deep shadow. I have watched friends rot away. I wanted to paint what bits of joy I could find for them," he said.

David Hockney, interviewed in *The Sunday Times* tomorrow

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9.00 **California Raisin Show**, Animated adventures 9.25 **Magwitch**
Days: Swamy and Friends, Series from India set in the Twenties
and Thirties

10.00 **A Week in Politics – Second Reading**, An analysis of the local
government elections, and a discussion on London's education
system. 10.15 **Cartoon**, **Slazenger and Tony** **Mike George** **Walden**

10.45 **Dennis**, Cartoon adventures 11.00 **Beet Toot** (r) 11.30 **The Lone**
Ranger (b/w), Vintage western series 12.00 **The Waltons 1.00**
Voyage to the Bottom of the Sea (b/w), Well-produced tongue-in-
cheek American series about an atomic submarine trawling the
ocean depths for villains and monsters

2.00 **Film: Great Expectations** (1948, b/w), Regarded by many as the
definitive screen version of any Dickens novel, this delightful film
saw the first collaboration of Alec Guinness and director David
Lloyd Jones. It would have been a masterpiece had nearly 40
years. The youthful Pip almost dies of fright when the convict
Magwitch first appears on Romney Marshes and it is a meeting
that will have strange consequences for both of them. The
important characters are cast to perfection (including John Mills as
Pip, Finlay Currie as Magwitch and Marjita Hunt as a superbly
decayed Miss Havesham) 4.15 **Once There Was a War**, Doc. Carot.

4.25 **Waltke Taffie**, Muriel Gray talks to Charlotte Rampling (r)

4.55 **China**, Documentary about the Chinese Revolution in Tibet.
A documentary about an all-women expedition to Tibet

6.00 **Kabaddi: Punjab vs West Bengal**, Kabaddi is a sport that has been
played on the Indian subcontinent for hundreds of years and here
it is being introduced to British viewers

6.30 **The Wonder Years**, Kevin (Fred Savage) suffers more tragic-comic
adventures

7.00 **Frangible Earth: Game Wars**, A documentary following the work of a
private security firm – consisting mostly of former SAS men and
Royal Marines – which has been hired to patrol Lochaber in the
Scottish Highlands to protect poachers. (Teletext)

8.00 **Hard News**, Dawn Griffiths, the mother of a baby who was
kidnapped 18 years ago, talks about her experiences at the
hands of the tabloid press

9.30 **Professional Foul**, Since the BBC seems unwilling to repeat
almost any of its standard-setting drama, Channel 4 steps bravely
into the breach with the transmission of six much-needed re-runs.
Tom Stoppard wrote this powerful and witty play in response to
Switzerland's International's declaration of 1977 as the Year of
Conscience Year and to the publication of the Czech dissident's
manifesto *Charter 77*. A politically uninvolved philosopher (the
superb Peter Berkowitz) officially visits Prague to present a paper
at a conference, but he is mainly determined to attend a World Cup
football match between Czechoslovakia and England. He is then
faced with a moral dilemma: to stand up to a corrupt and abusive
theater by a Czech philosophy student (Stephen Rea) out of the
country, directed by Michael Lindsay-Hogg.



Heart and soul: gospel singer Translucine Hawkins (6-10)

- 6.40 **People Get Ready.** First of a three-part series of the gospel show presented by John Francis and David Collier and featuring gospel stars Tramaine Hawkins and the Angelic Voice Choir
- 7.15 **Watching.** Tepid sitcom starring Paul Bowen and Emma Way as star-crossed lovers Malcolm and Brenda (r). (Ocrade)
- 7.48 **The Darling Buds of May: A Breath of French Air.** Fifth part of the superb comedy-drama series based on the novels by H.E. Bates, starring David Jason and Pam Ferris as the heads of the riotous Larkin family. After a year of marriage, Mariette and Christine still failed to produce a child, despite the prodigious fecundity of Mrs. Lark now on her seventh. Will change of air do the trick? (Ocrade)
- 8.45 **News with Sue Carpenter.** Weather 9.00 **LWT Weather**
- 9.05 **Jeeves and Wooster.** Another of the sparkling P.G. Wodehouse tales definitively brought to life by Hugh Laurie and Stephen Fry as the foppish Bertie Wooster and his unfappable valet Jeeves, whose loyalie, fortuit, is just the test which his master takes up the name and the neighborhood he considers his home
- 10.05 **Spitting Image.** More satirical veils at the famous
- 10.35 **Singles.** Romantic sitcom starring Roger Rees, Judy Law, Eamon Boland and Sue Bate as four lonely people who meet in a singles bar. (r). (Ocrade)
- 11.05 **The Shape of the World: Secrets of the Sea.** The second of a six-part documentary series unravelling the story of maps. Patrick Stewart explores the ways people through history have charted the oceans. (Ocrade) followed by **The Day**
- 12.10am **The ITV Chart Show**
- 1.05 **New Music.** Rock and pop music magazine
- 2.00 **Derrick.** German police drama starring Horst Tappert as Chief Inspector Derrick, hot on the heels of another killer
- 3.20 **Pick of the Week.** Highlights of the best from the regions
- 3.50 **Portrait of America.** A look at the "Garden State" of New Jersey
- 4.40 **The Lawless Years.** John Vivyan stars as Big Ziggy who decides to get even with all those gamblers before the police escort him out of town
- 5.10 **Top of the Pops.** Philip Paxton serves up some simple and easy-to-follow Chinese cultural ends
- 5.30 **ITN Mornings.** Ends at 6.40



10.05 **Film on Four: Drowning by Numbers** (1987).
 a) CRUCIAL: One doesn't immediately link Greenaway with Godard, but there are similarities more obvious in their composition and perspective: the same taste for painterly classical tableaux-vivants and a preference for horizontal movement. Both are fond of the simple physical actions of *exercise like swimming, skipping and catch*. Godard, being Swiss, tends to make films where rooms are kept neat. Greenaway's characters are tidy too and Greenaway himself is obsessively symmetric and has a craze for tying up loose ends. Since the rounded, rounded, rounded, rounded, rounded, rounded pleasure in pedantry and inconsequentiality, and nudicity too, to which they try to find intellectual justification. They *are* the assumption that all sex should be listed under A for Activities. Abnormal. Greenaway also favours well-spoken theatrical personae: Juliette Stevenson and Joely Richardson – as caricatures of sexual frustration and appetite – perform gamely. (Textist)

12.20 **Film like Hoover and I** (1989). Documentary film-maker Emily de Antonio went under FBI surveillance on-and-off for 40 years. When Bureau head J. Edgar Hoover died, de Antonio set about constructing an exposé of his private life. Ends at 1.56

British

[illegible]

LAURELS 1:00pm Live Sunday
Laguna Claret 6:00 Live Irish Rugby
Laguna 8:00 Italian Football 10:00 Scottish
Football Match 11:00 Irish Cup Final
12:00 Italian Football

EUROSPORT
Live the Euro sports
8:00am Hour of Power 7:00 Fun Fantasy
8:00 Tenorsoft Sport 10:00 Equestrian
11:00 Sunday After. Rugby, Mixed
Cup Tennis, Sailing Grand Prix, Rhythmic
Gymnastics, Equestrian 5:00pm World
Cup 6:00pm World Cup 7:00 Mixed
Open Tennis 11:00 Live Hockey World
Championships

SCREENSPORT
Live the Euro sports
8:00am Pro Superstars 7:00 Gymnastics
8:00 La Vostra Cycling Tour Spain 8:30
Horse Racing Eurocup 9:30 Voleo Cup
10:00 Horse Racing 10:00 Voleo PGA

1:00pm Powerboats 2:00 Weekend Live
Vista Cycling Tour of Spain 3:30 Weekend
Live Voleo PGA European Golf Tour 5:30
Revie 6:00 PGA European Rallycross Champi-
onships 7:00 Weekend Live Motor Sport
Hearst 10:30 Live Voleo PGA European Golf
Tour of Spain 11:00 US Men's Pro Bowlers 12:15am
Nobel Under 25 Professional Golf

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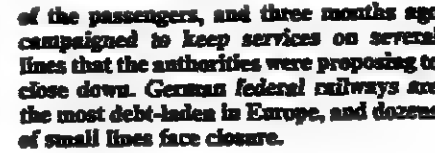
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By ROBIN YOUNG

Trevor Hicks, chairman of the Hillsborough Family Support Group, said there would be appeals and they would succeed.



People said the wind started to rise on Monday, and by 10pm the first tidal surge hit them. At 3am on Tuesday a giant wave swept everything away, carrying people, animals and homes back into the estuary as the water retreated.

The commission has yet to decide whether these monopolies work against public interest.

Titling for the title: The football league championship is reaching a climax. Which is the better team, Arsenal or Liverpool? The experts cast their votes. Plus reviews and previews from the sporting bank holiday weekend

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● WEEKEND MONEY 27-30
● SPORT 31-36

THE TIMES BUSINESS

SATURDAY MAY 4 1991

Business Editor
John Bell

MONEY

Investors face loss of £15m

AS MANY as 200 investors could have lost more than £15 million in total after investing in a plan operated by Castlegate, a failed financial services group from Reading, Berkshire.

Investors were told that Castlegate's Capital Fund Owners Plan was "risk free" and would earn 20 per cent a year. There is no chance of redress through the Investors Compensation Scheme as neither the group nor the plan were operated under the Financial Services Act.

Institutions are also likely to suffer. The Bank of Scotland claims to have lost £10 million and National Home Loans £3.5 million. Page 29

Equal to job



The self-effacing demeanour of David Smith, chief executive of Inco, is more characteristic of the archetypal accountant than of a man who pulled off one of Britain's most daring takeover bids. He tells Gillian Bowditch that he is bemused by his success. Page 23

Credit cut

TSB and the Halifax have both cut rates on their credit cards this week but cardholders will save little, if any, money. TSB's card was one of the most expensive and it has merely brought itself into line with its competitors. The Halifax is to charge interest from the transaction date rather than the statement date. Page 28

Green surge

Ethical investments have been powering ahead of other stocks this year, according to the James Capel Green Index. This bullish performance has been largely due to the interest of institutional investors. Page 28

Your letters



National Westminster Bank could have broken the record for the most correspondence and the largest research fee charged to a single account, writes a mother who tried to sort out her son's bank statements. Page 30

Parcel losses

Royal Mail Parcelforce is to shed 550 administrative jobs and raise prices to retail customers by 25.9 per cent in an effort to stem losses that last year exceeded £60 million. The loss for each of the £600 million worth of parcels carried by the group. Page 22

Oceana offer

Oceana Investment's tender offer for 18.5 per cent of the shares in Etam, which closes at 3.30pm on Tuesday, is one of the most opportunistic the City has seen for some time. Page 24

Hill Samuel fined £100,000 for breach of Imro rules

By LINDSAY COOK, MONEY EDITOR

FOUR Hill Samuel investment companies have been fined a total of £100,000 by the Investment Management Regulatory Organisation for 13 breaches of rules, including those on client funds.

The investment arm of TSB Group is the first Imro member to be publicly disciplined and the fine is by far the largest imposed. Previous fines have been in the low thousands.

Hill Samuel Private Client Management, Hill Samuel Unit Trust Managers, Hill Samuel Investment Services and Hill Samuel Pep Managers admitted the rule breaches at a hearing on April 12 and do not plan to appeal against the size of the fine. The management of Hill Samuel,

which was bought by TSB for £777 million in 1987, was restructured in March when Hugh Freedberg took over as chief executive.

The most serious breaches relate to client money. The personal equity plan managers admitted they failed to designate two accounts as client accounts.

Hill Samuel said: "There was no question that the money was not safe with us. There was no loss suffered by anyone." Imro confirmed that "the position of investors has been safeguarded."

Hill Samuel Pep Managers began selling the tax-free plans again this week, after voluntarily suspending them in January after administrative difficulties. The company was unable to send out paperwork

quickly enough. Existing plans remained unaffected.

All four Imro members failed to tell complaining customers of their rights at the outset. In the first substantive response, the clients were not told they could refer their problems to the regulatory organisation. They were notified in later correspondence, Hill Samuel said.

Imro and the other self-regulatory organisations are keen for customer complaints to be handled properly. They take the view that the way complaints are handled is an indication of the nature of the management of a member firm.

Another breach involved Hill Samuel Private Client Management, which failed to notify Imro of changes in its regular

returns to the regulator. It did not tell Imro when a team of client executives that handled client portfolios left last autumn. Hill Samuel said the regulatory organisation had been told of the departure at its next monitoring visit.

The company said the executives had been immediately replaced by other senior staff from Edinburgh and there was no question of the service being reduced.

While refusing to detail the evidence presented to the investigation committee, John Morgan, the chief executive of Imro, said it was the first time the organisation had made public the findings of the committee as part of the punishment.

He added that Hill Samuel had responded responsibly and was taking action

to remedy the situation that gave rise to the rule breaches.

Of regulation, Hill Samuel said: "We are very supportive of the principles of self-regulation and of the need to operate to the highest standards."

The company added that a great deal of management time had been spent to ensure Hill Samuel complied with rules.

Imro has 1,300 members, including fund-management organisations, banks, pension fund managers, unit trust managers, trustees and investment trust managers. Funds managed by its members total £450 billion.

The organisations rules require high standards of administration to ensure that the interests of clients are protected.

Auditor details £147m currency loss

Allied chiefs confirm early departures

By MATTHEW BOND

ALLIED-LYONS' disastrous excursion into foreign currency trading has claimed Sir Derrick Holden-Brown, the chairman, and Richard Martin, the chief executive, who will step down after the July annual meeting.

The departures from the food and drinks group came as a commissioned report from KPMG Peat Marwick McLintock, Allied's auditor, confirmed that the unwinding of Allied's foreign currency positions in March cost the company £147 million. These losses are to be included in the company's full year results, due in ten days.

Both executives had announced decisions to retire before the currency losses, incurred in speculating against the dollar, emerged. Sir Derrick had planned to go in July next year, while Mr Martin was to retire in October of the same year, having reached the age of 60. Mr Martin will continue at Allied as deputy chairman, under Michael Jackman, the chairman designate. Mr Martin will be replaced as chief executive by Antony Hales, who now runs the company's food division.

Clifford Hatch, the group finance director, resigned on the day Allied currency losses were first revealed in March. Mr Hatch will stay on until the end of June. He will not receive any compensation. An unspecified number of other individuals have also left the five-strong treasury department, although Allied refuses

to name or to comment on any individuals.

Sir Derrick has written to all Allied's shareholders, but Allied will not be publishing the auditor's report into the affair.

The letter from Sir Derrick catalogues a series of mistakes, dating from June 1989, when Allied's treasury department not only increased the scale of its currency trading, but began the far riskier business of writing options. The scale of the resultant losses echo those incurred by some local authority treasury departments, which ran up huge losses writing interest rate swaps.

The report is believed to confirm that it was the Bank of England that first alerted the Allied board to its potential currency exposure. At a routine meeting with Sir Derrick last summer, a bank official asked whether Allied's finance director was aware of the foreign exchange dealings of the treasury department.

Sir Derrick initiated an enquiry and further meetings took place between the Bank and Mr Hatch, and Tim Dalton, who succeeded Vernon Cole as group treasurer in 1990. Mr Dalton remains at Allied.

Despite the Bank of England's warning, the enquiry carried out by Mr Hatch concluded that no action need be taken. Sir Derrick now acknowledges that conclusion and his subsequent decision to do nothing were wrong.

By September alarm bells were ringing again. Allied's reporting systems, described by the Peat report as "in-

sufficient", indicated that the treasury department had breached its exposure limit of £500 million.

The subsequent damage limitation process went very expensively wrong. At the same time as a number of treasury staff left, Sir Derrick ordered the currency positions to be closed by January. As this proved difficult, an extension was granted until April.

In February, closing the department's dollar book should have resulted in a loss of under £10 million. However, an "ill-judged" attempt to close the book went wrong, as someone - unnamed in Sir Derrick's letter - gained all on the dollar weakening. Instead, it rallied strongly, with the pound rate falling from \$1.96 on February 21 - the day of the attempted closure - to \$1.79 on March 16, the day National Westminster finally closed the position.

Even as NatWest acted to close the position, further movement in the dollar took the company's total exposure to £1.5 billion, three times its own limit. The dollar's movement added a further £40 million to the size of the losses taking the total cost to £147 million. Sir Derrick says no blame should be attached to NatWest.

"We are completely satisfied that National Westminster Bank's prompt action saved the company from even further losses as currencies continued thereafter to move against the positions held. Any comment to the contrary is unfounded."

Mr Theakston, aged 46, is setting up as an independent brewer and is opening a brewery just 50ft from Scottish & Newcastle's Theakston headquarters in Masham, North Yorkshire.

The close proximity of the two companies is, he says, "just coincidence".

He aims to produce 30,000 pints a week, which is less than a third of the capacity of the Theakston brewery, which is famous for its traditional ales including the popular Old Peculier - a strong favourite among real ale fans.

However, Mr Theakston will not be able to use the Theakston name, so he intends to call his £500,000 venture Lightfoot, after a brewery which is now part of Theakston's offices.

Paul and his wife Sue expect turnover of about £1 million a year. He said: "I won't be copying Theakston's flavour. My new ales will be pale coloured with a taste of their own. We want to produce a draught ale that is distinctive. The outlook for small brewers has never been rosier."

Mr Theakston says production is not expected to start for five or six months. He also has plans for non-returnables as well as draught. "We are hoping to be able to supply the free trade," he added.



Right neighbourly: Paul Theakston outside his proposed brewery, 50ft from the original Theakston brewery

Theakston returns to roots for his brewery

By PHILIP PANGALOS

PAUL Theakston, the former managing director of the 164-year-old Theakston brewery, is making a comeback four years after the ales business was swallowed up by Scottish & Newcastle as part of the Matthew Brown takeover.

Mr Theakston, aged 46, is setting up as an independent brewer and is opening a brewery just 50ft from Scottish & Newcastle's Theakston headquarters in Masham, North Yorkshire.

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US jobless fall takes markets by surprise

By ANATOLE KALETSKY, ECONOMICS EDITOR

AN UNEXPECTED fall in American unemployment bewildered financial markets around the world yesterday, pushing the dollar sharply higher and overshadowing the local election results in the London markets.

America's unemployment rate fell from 6.8 per cent to 6.6 per cent in April, instead of rising to around 7 per cent, as economists had expected.

The dollar soared on hopes that the American recession could soon be over, but bond prices fell sharply and Wall Street was caught in a tug of war between hopes of economic recovery and fears of higher interest rates.

In London, the figures distracted attention from domestic political events, which were confined as broadly neutral for the financial markets. The City's disappointment over the poor Conservative showing in the local elections was offset by relief that a June election was now out of the question. There were also hopes that the Treasury might accelerate its plans for cutting interest rates so as to give the economy a boost in time for an election in October. Attention continued to focus on May 17, when retail price figures for April will show a drop of at least 2 per cent in headline inflation.

Share prices moved little in London as investors tried to digest the confusing economic and political news and the FT-SE 100 closed 8 points down at 5,522.7. Some dealers said they were surprised by the pound's resilience in the face of the election results, but others noted that the possibility of a June general election

had been a source of political uncertainty for overseas investors in sterling. The pound was virtually unchanged against the mark at DM2.9585, but fell almost three cents against the dollar to \$1.6895.

The Labour Department's official economists gave warning that the decline in unemployment was probably a statistical aberration. The unexpected strength in April's employment number was largely offset by a sharper fall in March than previously reported. March payrolls actually fell by 241,000, rather than 206,000.

President Bush, comment-

ing on the figures, also refused to say the recovery had begun. The White House continued to expect economic growth to begin in the early summer.

In Britain, the government released figures to suggest the economy would start to recover in the autumn. The index of longer leading indicators for April rose 1.1 per cent to 98.9, the third substantial gain in succession. Statisticians said a trough in this index had been reached last October and this probably pointed to a similar turn in the economy about a year later.

Markets, page 24

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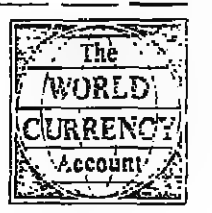
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What the Pru giveth, it also taketh away

By GRAHAM SEARJEANT
FINANCIAL EDITOR

POLICYHOLDERS and shareholders of the Prudential, Britain's biggest life assurance group, will gain an extra benefit from the group's investment skills this year by saving £33 million in reduced contributions to the Prudential's own staff pension scheme.

A revaluation of the £2 billion fund, which operates for nearly 30,000 United Kingdom employees, revealed that when it was made a year ago there was a 28 per cent surplus.

The valuation, made by one of the Prudential's own actuaries, took the relatively conservative assumption that investment returns would be 9.5

per cent a year and assumed that pensions in payment would be raised by 4.5 per cent a year. As a result, Prudential has halved contributions to 8 per cent of earnings since December.

Most of the group's salary costs are met directly by its life fund, so more than three quarters of the savings will go to policyholders, who suffered a sharp cut in their annual bonus rates for last year. The rest will go to Prudential Corporation's profits.

The corporation will save a further £1 million a year by changing its auditor, Deloitte, the existing auditor, had a messy merger that involved the main British arm linking with Coopers & Lybrand, while overseas businesses merged with another firm.

This left the Prudential with several auditors worldwide and it took the opportunity to put a single audit contract out to tender.

Pricewaterhouse, the rival international accountant that won the competition, will charge about £1.4 million against 1990 total audit fees of £2.46 million. Although Coopers & Lybrand Deloitte lost some clients among British subsidiaries of American multinationals, the Prudential is the biggest British company it has lost as a client as a consequence of the merger.

Such audit tenders have become highly controversial among accountants, for fear that audit fees may be treated as a loss leader to gain more lucrative consultancy and tax busi-

ness. Reliance on management contracts for fees, it is argued, may tend to undermine the independence of auditors in their reports to shareholders.

The Prudential's annual report also reveals that the pay of Mick Newmarch, its chief executive, rose from £380,000 to £544,000 last year, when the corporation's profits fell by £140 million to £244 million and part of its dividend had to be paid from reserves.

The 43 per cent increase partly reflects Mr Newmarch's promotion from the post of investment director in April 1990 as well as bonuses geared to performance in previous, more successful years. Mr Newmarch's pay is thought to have been cut to about £480,000 this year.

THE POUND

US dollar
1.6930 (-0.0230)
German mark
2.9661 (+0.0077)
Exchange index
91.2 (-0.2)

STOCK MARKET

FT 30 Share
2933.66 (-7.1)
FT-SE 100
2522.7 (-8.0)
New York Dow Jones
2933.66 (-4.95)
Tokyo Nikkei Avge
Closed

INTEREST RATES

London: Bank Base, 12%
3-month interbank 11 1/2%
3-month eligible bills 11 1/2%
US: Prime Rate 8 1/2%
Federal Funds 5 1/4%
3-month Treasury Bills 5.49-5.47%
30-year bonds 9 1/2-9 1/4%

CURRENCIES

London: New York
£ \$1.6930
DM £2.9661
Sfr £2.9661
FF £10.0051
Yen £136.50
Index 91.2
ECU £0.835703
ECU £1.437400

GOLD

London: AM \$356.45 pm \$355.50
close \$351.00 \$354.50 (\$208.00-208.50)
New York: Close \$354.75 \$355.25*

NORTH SEA

Brent (May) ... \$19.80 bbl (\$19.40)
* Denotes latest trading price

RETAIL PRICES

RPI: 131.4 March (1987=100)

Elf given clearance for Amoco purchases

By OUR INDUSTRIAL STAFF

THE Monopolies and Mergers Commission has cleared the purchase by Elf Oil (GB) of 200 filling stations plus a 70 per cent share in an oil refinery, from Amoco.

The decision deals a further blow to the "Lilley doctrine" under which Peter Lilley, the trade secretary, promised an enquiry into any purchase of UK assets by a foreign state-controlled company.

In only one of five referrals, made since that announcement, has the MMC found evidence that state control would influence the commercial actions of the acquirer.

Three other purchases by French state-controlled companies have also been cleared. Elf is a subsidiary of Societe Nationale Elf Aquitaine, which is 55.6 per cent owned by the French government. The MMC said there was no evidence that the French government influenced the commercial policies of Elf, or of Total Compagnie Francaise de Petrole, another French state-owned group which operates in the UK market, and whose activities also came under the MMC spotlight.

Elf would have 3 to 5 per cent of the UK petrol supply market after the purchase, the MMC found. Total would have 4 to 6 per cent. The MMC said evidence pointed to vigorous competition between the two French groups.

Royal Mail parcels to shed 550 jobs after £60m losses

By ROSS TIEMAN
INDUSTRIAL CORRESPONDENT

ROYAL Mail Parcelforce is to shed 550 administrative jobs and raise prices to retail customers by 25.9 per cent, in an effort to stem losses which last year exceeded £60 million.

The loss represents 10 per cent of the £600 million worth of parcels carried by the group. The scale of the deficiency is partly the result of a re-allocation of £60 million of revenues from stamps. However, the Post Office, chaired by Sir Bryan Nicholson, said the group had also been hit by a slowdown in the recession.

Parcelforce believes a combination of cost cutting and price rises will help it to break even this financial year. The increase in carriage rates on standard parcels is expected to add £12.5 million to revenues.

From July 1, the cost of parcels up to 1kg will rise from £2 to £2.50, a 6kg parcel will go up from £4 to £4.65 and 10-30kg parcels will rise from £6.05 to £7.80.

Parcelforce has already increased the price of its Data-post service by 9 per cent, and prices to contract customers will be raised.

However, the main thrust of the move to reduce losses will be widespread cost cutting. Job



Sir Bryan Nicholson: parcel post charges to be increased

reductions, through natural wastage and voluntary redundancy, will be focussed on the Parcelforce head office at Milton Keynes, and the finance centre at Chesterfield. Around half of the jobs have already been lost. At present Parcelforce has 12,500 employees. The number of sorting centres is likely to be cut from 18 to 12 "in the long term."

The shift in revenue allocation, to Royal Mail Letters, was decided after the introduction of a new sampling system which showed letters had been subsidising parcels. Letter income, which totals £4 billion a year, will rise by around 1.5 per cent. A Royal Mail spokesman said letter prices would remain unchanged for at least the next three months. "It is too early to say exactly when letter prices will be increased, and by how much," he said.

Builders' cash calls find mixed fortunes

By MATTHEW BOND

TWO housebuilders, among the first building companies to raise money through rights issues this spring, have met with varying success.

At Bellway, the Tyneside housebuilder, just over half the 11.6 million new shares on offer through its £25 million issue were taken up by shareholders. The balance of 47.3 per cent, was yesterday placed in the market by Charterhouse Bank, underwriter to the issue, and Wise Speke. Bellway shares jumped 11p to 228p, as the rumour of the 5 for 11 issue was placed at a premium to the 220p issue price.

By contrast Berkeley Group, a specialist in the Southeast, saw 99 per cent of its £44.2 million issue taken up. The tiny rump of shares was placed at 318p, a significant premium to the 255p issue price and the ex-rights price.

Both Bellway and Berkeley had cited land-buying opportunities as an important reason for launching their respective issues. More than half the shares available under F&C Eurotrust's £18.7 million rights issue have been left with the sub-underwriters of the one-for-four issue. The rights was underwritten by Cazenove, broker to the investment trust. Acceptances were received for 48.6 per cent of the 6 million shares being issued.

BUSINESS ROUNDUP

Prospect plans to buy Dunn International

PROSPECT Industries, the specialist engineering company, plans to acquire Dunn International, which provides specialist engineering services principally to the electricity generating industry, for £14.3 million in cash and shares. To help fund the initial consideration of £11.3 million (£1 million in shares and £10.3 million in cash), Prospect plans to raise £7.16 million, before expenses, by way of a placing of 59.7 million ordinary shares at 12p a share.

Dunn made a pre-tax profit of £2.3 million in the year to March 1990, on turnover of £22.7 million and net assets of £1.8 million. It achieved pre-tax profits of £3.7 million in the nine months to December 1990, on turnover of £32.9 million and net assets of £2.5 million. Due to the size of the acquisition, dealings in Prospect's ordinary shares were suspended at 9.4p. Dealings should recommence on May 30.

Scottish TV lifts dividend

SCOTTISH Television, the independent TV company, increased pre-tax profits to £11.23 million (£11.11 million) in 1990, despite a 68 per cent increase in the exchange levy on advertising revenue and programme sales, to £6.8 million. Earnings were 62p a share (61p). A final dividend of 23p (20p) makes 28.75p (25p) for the year. Tempus, page 24

Loss deepens at Upton

TAXABLE losses at Upton & Southern Holdings, the Middlesbrough department store operator and property group, deepened from £800,000 to £1.43 million in the year to January 26, on turnover down from £12.5 million to £11.5 million. The fully diluted loss per share surged from 6p to 15.76p. Once again, there is no dividend.

PWS ahead to £3m

PWS Holdings, the Lloyd's reinsurance broker, raised pre-tax profits from £2.7 million to £3.1 million in the six months to March 31, lifting earnings from 10.1p to 10.7p a share and allowing an interim dividend of 1.5p (1.3p).

The result was inflated by £198,000 because of the decision to write off goodwill against reserves. The latter has also effectively increased profits for the previous full year by £364,000. PWS usually makes a small loss in the second half. Lord Pearson of Rannoch, the chairman, believes the current year will be no exception. Tempus, page 24

Harding axes final payout

HARDING Group, the USM distributor of electrical and electronic products, has axed its final dividend after suffering a pre-tax loss of £1.11 million in the year to end-December (£821,000 profit). Turnover was £25.6 million (£28.4 million). Loss per share is 3.84p (3.64p earnings). There is no final dividend (1.65p), making 1.1p (2.75p) for the year.

Delyn holds its dividend

DELYN, the packaging group, has maintained its annual dividend at 1.45p per share for the third year running, with a final payment of 1p. Earnings fell to 4.47p (5.01p) per share, despite a small increase in taxable profits to £614,000 (£610,000). British earnings rose to £810,000 (£595,600), but Plastella, a French subsidiary, lost £196,000.

Next moves on bonds

NEXT, the troubled retail group that in March sold Grattan, its mail order business, to Otto Versand for £163 million, will use some of the money to buy in its 6 1/2 per cent bonds early. The bonds, due to be converted in 2002, are worth £43.25 million, but Next has not set a price at which it is prepared to redeem them early. It has, however, asked SG Warburg to seek expressions of interest from holders of the bonds. Next indicated last month that it was looking to buy back its 5 1/2 per cent convertible bonds due in 2003. The company has £76.8 million outstanding nominal of these bonds.

London Traded Options have been held out owing to pressure on space.

MAJOR CHANGES

RUSSEL	229p (+12p)	Reuters	774p (+18p)
Bellway	228p (+11p)	CE Health	490p (+10p)
Hartstone	205p (+11p)	Savoy Hotels 'A'	760p (+10p)
Morgan Crucible	237p (+15p)	Bass	97p (+1p)
Wolcombe	271p (+10p)	SA Breweries	507p (+51p)
Scott TV	844p (+10p)	Barlow Rand	735p (+15p)
Usher Walker	241p (+22p)	MEPC	617p (+11p)
FALLS:		Land Sec	610p (+9p)
Alfred Colvile	138p (+18p)	Investment 'A'	725p (+10p)
Lac Refrigeration	305p (+10p)	Blenheim Group	810p (+10p)
GRN	352p (+8p)		
Nat West	330p (+10p)		

Closing Prices...Page 25

FT-SE 100 VOLUMES

Vol '000	Vol '000	Vol '000	Vol '000
Abbey Nat	3,517	CU	418
Acc-Lyons	2,483	Courtauld	4,189
Anglia	1,013	Enterprise	568
ASDA	794	Eurochem	835
AB Foods	9	Fluor	777
Argyll	621	Gen Aus	282
BAA	779	GEC	4,787
B&Q	514	Glen	1,649
BTR	1,024	Grand Met	1,024
BAT	589	GLS 'A'	548
Berkeley	1,391	GPE	365
B&S	342	Gulfstream	2,916
BICC	765	Hamm 'A'	n/a
UK Scotland	226	Hanson	6,742
UK Circle	1,497	H & C	1,345
BOC	639	Hendrie	570
Boots	324	Hilldown	682
Br Aero	729	ICI	882
Br Airways	2,053	Kingfisher	278
Br Gas	6,396	Lasmo	633
Br Petrol	5,053	Ladbroke	2,248
Br Steel	3,152	Lend Lease	840
Br Telecom	448	L&S	690
CSW	482	Lloyds	3,709
Cadbury	1,138	Lorano	559
		Lucas	4,189
		Macmillan	1,729
		MEPC	777
		Mitochond	689
		Nat Power	3,048
		Nat West	6,396
		N W Water	3,342
		N&S	105
		Parsons	372
		Pindington	2,209
		PowerGen	1,811
		Prudential	2,185
		Racal	1,361
		Rit Hovis	528
		Rent	1,253
		R&C	37
		Raiden	208
		River	293
		Reuters	1,595
		RMC GP	73
		RTZ	840
		R-Royce	714
		Rothmans 'B'	77
		Royal Bank	2,391
		S&W	1,221
		Wills Cor	117

Paris: CAC ... 426.01 (+5.91)
Zurich: S&K ... 551.4 (+1.1)

New York	2933.66 (-4.95)	Paris: CAC	426.01 (+5.91)
Dow Jones	2933.66 (-4.95)	Zurich: S&K	551.4 (+1.1)
S&P Composite	379.98 (-0.84)		
Tokyo:			
Nikkei Average	Closed	London:	
Hong Kong	3737.88 (+11.74)	FT-SE 100	1217.78 (-3.17)
Hong Kong	1128.77 (+1.45)	FT-SE 250	1345.26 (-2.73)
FT-SE Euro 100	1128.77 (+1.45)	FT-SE 100	143.9 (+8.0)
Amsterdam:		FT-SE 100	84.30 (+0.10)
CBS Tendency	56.4 (-0.8)	FT-SE 100	84.89 (-0.17)
Sydney: AO	1517.8 (-2.1)		
Frankfurt: DAX	1631.94 (+1.80)	Bangladesh	222.22
Brussels:		SEAQ Volume	42.7m
General	5758.57 (-18.98)	USM (Datastream)	135.11 (+0.22)

* Denotes latest trading price

INTERNATIONAL OPTIONS

First Dealings Last Dealings Last Declaration For Settlement
April 22 May 2 July 26 August 8
Call options were taken out on: 2/5/91 ADJ Brent Walker, Control Seat, Colman, Put & Call Maxwell Communications.

EQUITIES

Aberdeen Tel	56		
Alps Group	57		
Alstom Resources	121		
Alstom (100p)	121		
Alstom Res	121		
CHW Group (50p)	61		
Drayton Blue (50p)	124		
EPM Income Tel	85		
EPM Jive Tel (50p)	51		
East German Inv	111		
Elcos (100p)	50		
Europe Energy	65		
Gresham Telecom	16		
Headline Stock	122		
Highcroft Inv	186		
Invergordon (18p)	182		
Leicester (10p)	90		
MIMCO	24		
MIMI (20p)	24		
Malaysian Capital	115		
Probus Int (84p)	176		
Suton Healthcare	79		
Small IT	145		
Stand Platform (225p)	42		
Thio Inv Tel	42		

THE SUNDAY TIMES

Lloyd's names stung

"Losses running into billions of pounds are threatening to undermine the Lloyd's of London insurance market. In the case of one group of syndicates, names might be asked for £750,000 to clear debts on a £30,000 stake".
Business - The Sunday Times tomorrow

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Sir Patrick Sheehy, Chairman

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The David who slew City's ailing Goliath

BUSINESS PROFILE
By GILLIAN BOWDITCH

David Smith

The odds were against the man behind one of Britain's most audacious takeover bids

How does a little-known accountant manage to sweet-talk a syndicate of Britain's most powerful bankers into providing £2.5 billion to buy the country's 24th largest company?

David Smith is not exactly sure. But two years ago, at the age of 44, he managed it when he launched a hostile takeover bid for Dee Corporation, the group that owned Gateway supermarkets.

The audacity required to pull off such a stunt is rare. But the self-effacing Smith then went on to win the battle and is now sitting atop an empire, which in addition to 700 supermarkets also owns Hermans, the largest sporting goods retailer in America.

The odds were stacked against him from the start. Smith had spent 20 years with Arthur Young, the accountancy firm, before forsaking the security of a regular income and embracing the less civilised world of the leveraged buyout.

This kind of deal is on the wilder, more risky shores of corporate finance. Typically, a new company with little or no assets borrows heavily to make a takeover and then sells much of what it has bought to pay back the original loans. Lots of things can go wrong.

Smith was a complete unknown with no real track record in such buyouts. He had no great personal fortune, nor support systems that might have soothed the worries of those he was approaching for hundreds of millions of pounds. The bid was put together with Liz Hignell, his colleague, at a round table in a borrowed office.

Smith's outward demeanour would have given no clues to his likely success in the venture. He is no Svengali. He has the level of charisma one would normally associate with the archetypal accountant, and is not particularly articulate. Long, muddled sentences bump into one another when he speaks. He sometimes appears shy.

Yet there is a winsomeness about him. He would have you believe that he would be just as happy sorting out the financial problems of a small family firm as managing the heavy debt burden of Isosceles, the holding company that owns Gateway.

Like a Miss World contestant, he repeats at regular intervals that what he likes doing is "helping people". As a management consultant he would not consider taking on clients that he did not like.

His parents, who live close to his home town of Brechin, Tayside, are bemused by their son's success. So is the business community. So is Smith.

"The thing was so unlikely," he says, "it was a venture which had no substance in a conventional sense. We were just two people who had no retail experience. We could not prove that we were the right people to do this sort of thing."

"Then there was just the sheer size of it. Who would lend that sort of money? It was an enormous sum, it still is. It was a victory for resilience, if nothing else."

It was a victory, in fact, for extreme hard work, bloody-mindedness and the vaulting ambition which, his associates say, Smith hides under a layer of charm. Add to this combination a certain wizardry with numbers and a dash of ruthlessness and

Smith's achievements are more understandable.

David Sugden, chief executive of Geest, the food group, and a colleague of Smith's at Arthur Young, says: "He's extremely bright, very shrewd, quite determined and hugely charming. It's a powerful combination."

The Gateway bid was not plucked by Smith from mid-air. In 1987 he was part of the team that advised Barker & Dobson on its unsuccessful bid for Dee and he knew exactly what was wrong with the ailing Gateway supermarket chain.

"We knew that Gateway was performing badly and would continue to perform badly," Smith says. "Although the market didn't quite recognise that at the time of the B&D bid, it did in retrospect. The subject of Gateway kept recurring and we kept a close eye on it. What happened was just as we had predicted."

In addition to working on the B&D bid for Gateway, Smith also looked at a possible bid by B&D for Fine Fare and another by WM Low, the Scottish supermarket group, for Safeway.

These came to nothing. Gateway acquired Fine Fare and Argill bought Safeway, but it gave him an excellent introduction to the economics of food retailing. "We went through a long period of convincing the banks and financiers to back us. To a certain extent it would not have mattered who we were, we would have to have worked just as hard. The process of convincing them made them much more comfortable with us," he says. "Eventually the thing took on a life of its own."

The audacious accountant was not relying solely on the power of his arguments. He teamed up with SG Warburg, one of the most powerful merchant banks in the City. "I doubt there has been a more profitable deal on lending for any of the banks involved."

Smith's timing was perfect. Investors were becoming increasingly frustrated with the Gateway management and were ready to cash in their shares.

Robin Binks, Warburg's director who led the bid and who is now chief executive at Cannon Street Investments, says: "We put together a credible overall package. There was the standing of some of the equity backers, the fact that Warburg was involved, and we brought in the chairman in the form of Ernest Sharp."

"Then there was the nature

of Gateway which, as a food retailer, was a stable business with strong profits. To a certain extent we were seen as the only solution to an intractable problem." The team agonised over the relative anonymity of Smith but, he says, Smith's ability soon manifested itself.

"He has palpable honesty, clarity of vision, strong determination and, in a curious way, strong leadership qualities. He is able to carry people with him."

Smith finds it difficult to explain why he decided to take on such a big task, but concedes that it was exciting.

"There's always the thrill of the chase. We worked the whole weekend before the bid. There were 100 bankers sleeping on the floor at Warburgs. Since winning, it has not all been plain sailing. Gateway was seen as the weakest of the big five supermarket groups, a perception Smith would not contest."

"Gateway had a terrible reputation. You can't change that quickly and you'd be kidding yourself if you pretended you could. The self-esteem of the average Gateway employee was dreadful. You've got to ensure people feel good about themselves before you can change things for the customer... it's all those feeble, glib words."

Some of Smith's pre-bid plans have flourished. The sale of the Scottish stores to WM Low did not go ahead and Hermans, the American business, has not been sold. The inability to do these deals meant that a £230 million refinancing package was needed at Christmas.

The prospectus detailing the refinancing gave a warning that the value of the new units being offered to shareholders would be "very sensitive" to future trading profits. The group still has about £1.2 billion of debt and a flotation on the Stock Exchange looks to be at least three years away.

Nevertheless, Smith is pleased with what has been achieved at Gateway, where costs have been tightly controlled and margins improved. About 800 jobs have been cut at head office and 3,000 to 4,000 in the stores. The first full year of his reign has just ended and he says the City will be pleased with the figures.

In spite of the size of Isosceles' debt burden, Smith is not given to sleepless nights. He jokes that this is because he is working so hard he does not go to bed.

Work does, indeed, seem to dominate his life. He is in his Victoria office at 7.30am each morning and will leave any time after 8.00pm. Weekends

are spent visiting stores and sites or attending Hermans' board meetings. Ask what he does for fun and he reacts as if it is an unknown concept.

"Fun? I don't have any time to do anything. This is a full time job."

He concedes that this approach to work is not entirely healthy. "It's unhealthy for other folk. There's a group of people here who essentially work the same hours as I do and they may have different pressures and requirements; children of different ages, for example."

His own children, Luisa, aged 14, and David, aged 16, are clearly important to him. David boards at Westminster School and Luisa, who attends St Paul's, lives with her mother. Smith and his wife divorced about the time of the Gateway bid after 14 years.

"I don't get to spend as much time with my children as I would like," he says. "They are growing up and in many ways it's important for them to have different things."

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David is into sailing and scuba diving, and recently did his first parachute jump. Luisa is mad about horses. "At the end of the day, all of these things will be much better for them than spending time with me," he says.

Smith speaks to his daughter twice a day and once a week she will drag him to Ed's Diner, the hamburger restaurant chain. "Ed's Diner is my kind of place," he says. "It has Sixties music and enormous milk shakes. That's comfortably me."

As for the break-up of his marriage, he says it is partly due to pressure of work. "You can dream up all kinds of reasons. Work's an excuse. It's about choosing priorities and you don't always choose consciously. If you did I think you would do things differently. You are unconsciously choosing to be immersed in work and that inevitably is going to produce pressure."

He does not think he will remarry. "I don't think any one could put up with me. I'm never there."

This propensity for work is not a recent phenomenon. He worked just as hard during his 20 years at Arthur Young, where he was quickly singled out as partnership material. "It's selfish to work so much. You do it because you get something out of it. It's time you're not giving to someone else."

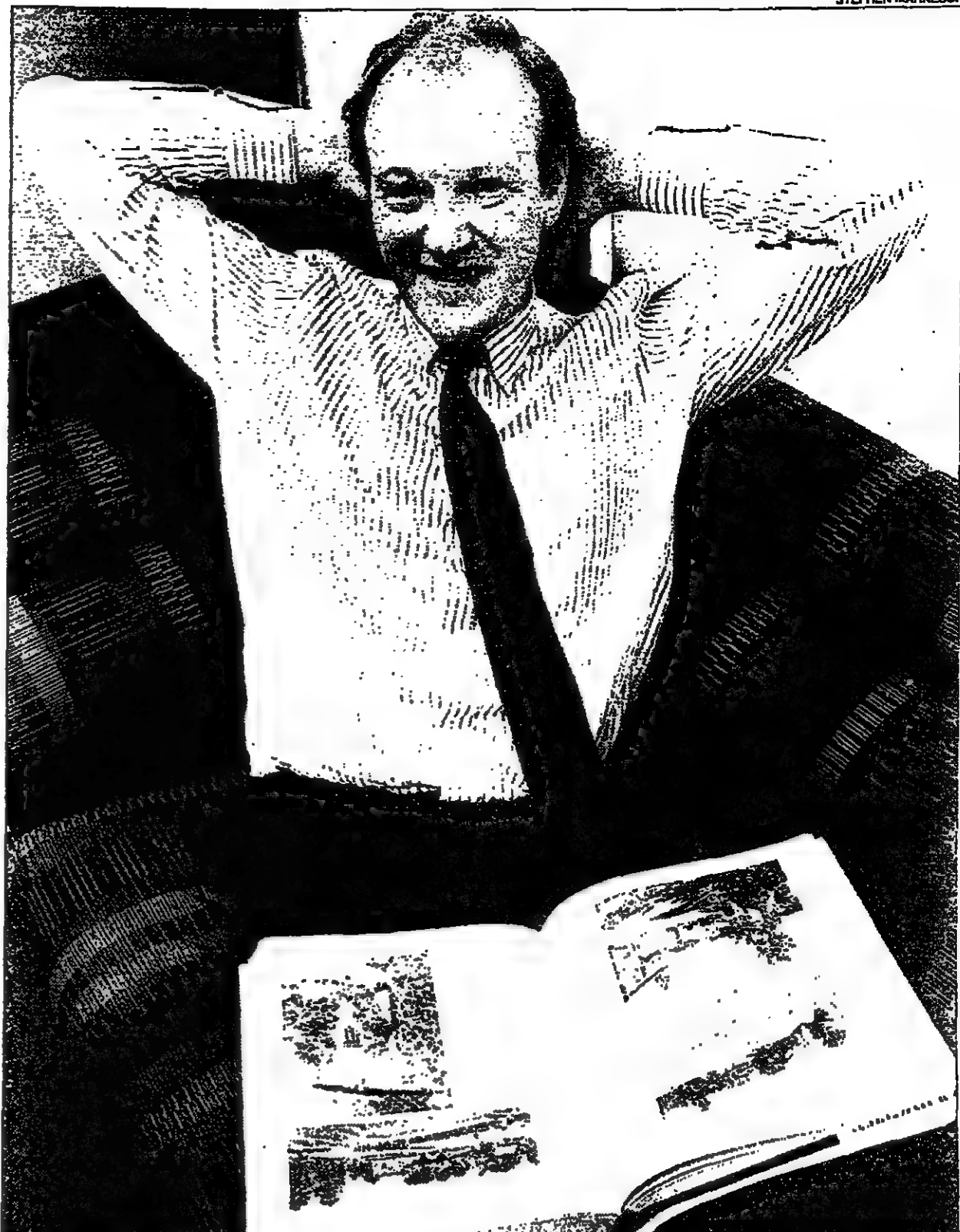
His pleasures are of an unconventional nature. He does not socialise much and hardly at all with the business community. "I'm not part of the establishment," he says.

Football is something that has always interested him. He played as a boy. He says it helps him put things into perspective.

"You can kid yourself that what you're doing is of world importance but there are more important things in life. Brechin City might be relegated this year."

Money has never been a motivating factor, although the Isosceles deal has made him wealthy. As well as his £337,500 annual salary, he received a £250,000 bonus at the time of the refinancing. He owns no shares in Isosceles directly, but trusts with which he and Miss Hignell are associated cashed in £1.56 million of shares at Christmas.

"I don't really spend



Giant killer: David Smith was an unknown accountant until he helped launch Isosceles' bid for Gateway

money. I don't have any valuable possessions that I'm accumulating." Work provides him with a BMW. "I wouldn't spend money on cars."

He lives a seven minute walk from work and rents a house in Hampshire where his daughter keeps her horses. He visits it about once a month, and when there he is likely to do nothing. His holidays are also modest. Last year he took his children to Ireland.

He has lived in London for more than 20 years and visits America frequently. He still

thinks of Brechin as home, however. His father was a farm worker outside the town, and as an only child, he enjoyed the freedom of farm life. When Smith was ten the family moved into Brechin and he went to the local school before studying geography at Glasgow University.

"My father is quiet, thoughtful and observant. My mother is more of an action-type person. Folk that know me would probably say I was more like my father."

Smith fell into accountancy

by accident, but his skills are suited to his former career, although he never saw himself as an audit partner. He progressed from the firm's Glasgow office to heading the consultancy division of Arthur Young in London, but left in 1986 in search of greater job satisfaction. A spell as a management consultant came to an end with the Gateway bid.

He is unlikely to stay with the group after it is floated on the stock market, his friends say. He would, however, find it impossible to retire. Assuming everything goes to plan, he is most likely to repeat the Isosceles exercise with another ailing company. He says he does not know what the future holds and does not think about it much.

"I still, in part, think of myself as a geographer. Wherever I am the first thing I do is find a map. I like to be able to relate to where I am. People laugh at me but I can't really understand folk who don't know where they are, where they're going or how to get there."

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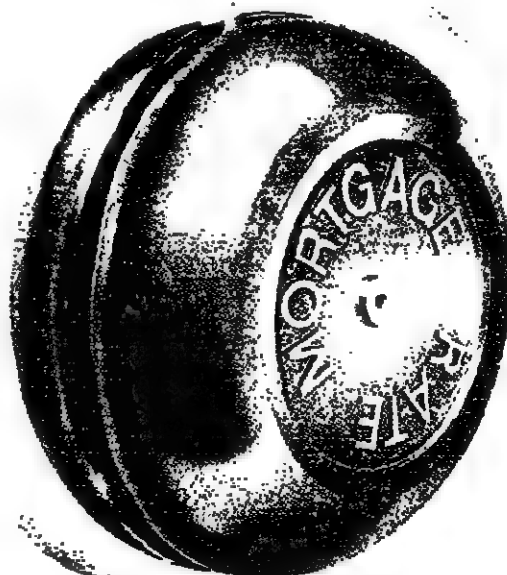
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Genscher seeks foreign money for east Germany

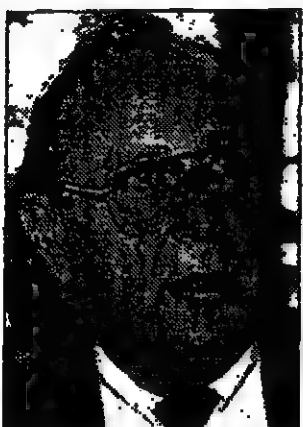
GERMANY has appealed to foreign companies to invest in its economically blighted eastern regions, promising them equal entitlement to government subsidies.

But industrialists and diplomats say foreign firms are deterred by the area's poor infrastructure, rising labour costs, uncertain property rights, problems in getting information from the Treuhand privatisation agency and a perceived pro-German bias.

Hans-Dietrich Genscher, the foreign minister, speaking in Schwerin yesterday, told a seminar of German economic attachés serving in the main industrialised countries that only 5 per cent of all investment in the former communist economy so far had come from abroad. He added: "Investment conditions in Germany have never before been so attractive for investors from all over the world."

An investor placing DM100 million in eastern Germany, Herr Genscher said, would receive state support of up to DM57.3 million in the form of grants and subsidies.

Seeking to counter criticism of the Treuhand agency, which controls eastern Germany's



Genscher: grants on offer

45,000 businesses, Herr Genscher said: "The new federal states are not a closed shop for west German investors. On the contrary, we explicitly invite foreign investors to come here."

Newcomers would gain a foothold in the European Community's giant post-1992 internal market, as well as access to "markets of tomorrow" in eastern Europe and the Soviet Union.

Herr Genscher said that to attract investors, the government would have to write off the debts of former communist enterprises more gen-

erously and handle most environmental liabilities.

The state concerns have a total debt of DM105 billion. Bonn has ruled out across-the-board debt relief but promised to review individual cases.

The Schwerin conference, held in the east's most depressed region, was part of an offensive to draw foreign capital, amid signs that west German manufacturers, apart from the motor industry, are holding back from major investments in the east.

An independent commission into German economic deregulation has recommended sweeping changes in labour laws to weaken collective bargaining and increase competition. In its final report, the commission said rules governing Germany's system of collective wage agreements between employers, unions and workers should be relaxed.

The report also recommended that more individual employee wage deals should be allowed, and that employers should be able to hire long-term unemployed on less favourable terms than those set down in fixed wage agreements.

Panfida settles for £17m

By OUR CITY STAFF

PANFIDA Group, the loss-making Australian retailer, is to receive more than £17 million after settling out of court with Guinness on claims over the sale of Martins, the newspaper.

Martins Retail Group was bought from Guinness for £190 million in 1987 by a consortium headed by Panfida, which subsequently bought full control in a deal that left News International, owner of The Times, with a 29.9 per cent voting stake. Two years ago, MRG sued Guinness for £49 million over alleged defects in the business and its failure to meet its profit forecast. Guinness, in turn, sued for extra payments.

Panfida says it has already been paid most of the £17.05 million, less £1.4 million withholding tax, bringing its debt below £100 million.

Guinness, which made the settlement without accepting any legal liability, said the payment consisted of a £9 million reduction in the sale price plus rolled-up interest. For the six months to end-December, Panfida reported an almost halved pre-tax loss of £3.8 million.

[illegible]

RATES		OTHER STERLING RATES		DOLLAR SPOT RATES			
3 month	3 month	Argentina austral*	16684.1-18711.0	Ireland	1.5340-1.5380		
2.52-2.53or	2.52-2.53or	Australia dollar	2.1845-2.1878	Singapore	1.7700-1.7730		
0.37-0.38	0.37-0.38	Bahian dollar	6.61-6.63	Malaysia	1.7000-1.7010		
11%-12%	11%-12%	Brazil cruzeiro*	444.75-445.40	Australia	1.2850-1.2880		
40-41%	40-41%	Cyprus pound	0.88-0.89	Canada	1.1505-1.1510		
11%-14%	11%-14%	French franc	5.41-5.51	Denmark	1.6925-1.6930		
47-48%	47-48%	Greece drachma	319.15-322.35	Norway	6.7900-6.7950		
11%-12%	11%-12%	Hong Kong dollar	15.97-16.00	Philippines	6.5220-6.5260		
11%-12%	11%-12%	Indian rupee	24.32-24.92	Switzerland	7.390-7.392		
17-27%	17-27%	Kuwait dirham KD	4.8000-4.8125	Switzerland	1.4875-1.4885		
108-109%	108-109%	Malaysian ringgit	5.1000-5.1020	Netherlands	1.6800-1.6805		
41-42%	41-42%	Mexico peso	5.1000-5.1020	France	138.80-139.20		
8%-9%	8%-9%	New Zealand dollar	2.8535-2.9005	Japan	164.00-164.20		
11%-12%	11%-12%	Saudi Arabian riyal	5.41-5.51	West Germany	35.64-35.66		
2%-3%	2%-3%	Singapore dollar	3.0250-3.0129	Hong Kong	7.7625-7.7658		
12-11%	12-11%	S Africa rand (fin)	4.750-4.7450	Poland	143.18-143.20		
11%-12%	11%-12%	T Africa rand (com)	4.750-4.7557	Spain	107.45-107.55		
10% pr.	10% pr.	U A E dirham	6.28-6.38	Austria	12.39-12.39		
		Barclays Bank GTS*	Lloyds Bank				
TREASURY BILL: 4 1/2% Apr 1, 1978m							
10% Last week: 157.21% ; 5% Last week: 157.21% ; 3% Last week: 157.21%							
Next week: 590.0m.							
LONDON FINANCIAL FUTURES							
		Period	Open	High	Low	Close	Volume
FT-SE 100		Jun 91	2360.0	2366.0	2357.0	2348.0	629
Previous open interest: 25399		Dec 91				2251.8	0
Three Month Sterling		Jun 91	65.82	66.04	65.77	65.78	21557
Previous open interest: 12718		Dec 91	65.81	65.78	65.81	65.78	2657
Three Month Eurodollar		Jun 91	93.98	93.98	93.87	93.87	3411
Previous open interest: 11653		Dec 91	93.91	93.76	93.81	93.86	9475
Three Month Euro DM		Jun 91	90.89	90.92	90.88	90.88	2998
Previous open interest: 11045		Sep 91	90.90	91.03	90.96	90.97	5241
US Treasury Bond		Jun 91	97.90	97.98	96.98	96.98	1478
Previous open interest: 6968		Sep 91	97.98	98.05	97.95	97.95	20400
Long Gilt		Jun 91	91.28	91.05	91.13	91.23	0
Previous open interest: 32481							
Japanese Govt Bond		Jun 91	92.78	93.00	92.77	92.79	96
		Sep 91	92.78	93.00	92.77	92.79	96
German Govt Bond		Jun 91	92.78	93.00	92.77	92.79	96
Previous open interest: 11653		Sep 91	92.78	93.00	92.77	92.79	96
Three month ECU		Jun 91	90.69	90.69	90.65	90.67	196
Previous open interest: 2974		Sep 91	90.69	90.69	90.65	90.67	196

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No surrender on insurers' terms

COMMENT

LINDSAY COOK
WEEKEND MONEY EDITOR



The campaign to improve the surrender values of insurance policies does not seem to be meeting with universal success. It is still possible to lose almost two-thirds of the expected pay-out by cashing in a 25-year policy 12 months early.

A survey published this week shows that the Life Association of Scotland would pay out just £12,830 to someone surrendering a policy for £20 a month after 24 years, compared with £35,176 the following year. Friends Provident would pay out £16,447, compared with an expected maturity value of £42,668. London Life and Pearl are both under £16,000, about 40 per cent of the end of term sums.

Early surrenders cost a lot more, with the companies who pay the most in commission paying least to those who are forced to cash policies in the first few years. In some cases, investors receive nothing at all if they cancel within five years.

It is not impossible for companies to play fair. Equitable

Life, Scottish Widows and NPI pay out more than 90 per cent of the maturity value after 24 years.

Hugh Scurfield, general manager and actuary at Norwich Union, called on the industry to improve surrender values in his presidential address to the Institute of Actuaries last July.

If people are not to feel taken advantage of by insurance companies, then everyone must be seen to receive a fair deal. In 1989, £4.6 billion worth of policies were surrendered early. A great many of the policyholders may now be nursing a grievance.

Often a policy has been wrongly sold to someone who cannot afford it or is inappropriate to their needs. In other cases, a dramatic change of circumstances forces the surrender.

The poor cash-in values,

coupled with the current economic climate, has helped to foster a secondary market in insurance policies. Auctions of policies are proving a popular way of releasing the money. The seller cannot lose because the reserve price is the surrender value placed on the policy by the insurance company. Anything above this is profit, and the auction house fee is taken from this surplus.

The fact that investors will buy policies paying on average 20 per cent more than the surrender values, and often more than

double the sum offered by the insurance company, shows how over-cautious the companies are when it comes to paying out early.

It is lucky that there is an alternative to the insurance company price available for those who can afford to wait a few weeks.

Surrender values apart, there ought to be concern about the large numbers of people who do cash in early. They cannot all be facing hard times. Too many are being badly advised. Cashing in a poorly performing policy to

change to one of the best investment teams rarely pays because of the surrender values of policies. This is seldom "best advice". All too often the suggested move is not from worst to best, but from middle league to indifferent.

Investors often do not understand the long-term nature of insurance policies and the penalties they face by switching. This problem is about to be addressed by the Securities and Investments Board. And not before time.

views on when the compensation scheme should come into play, before it seeks a ruling in the High Court next month.

The board is briefing counsel to put forward arguments in the investors' interests and wants to use one particular investor's experience and arguments. It will, of course, pay all the legal costs of airing the investor's claims.

The question to be resolved is whether long-term investors of authorised firms have the same degree of protection as newcomers?

They may have invested before the firm was authorised under the Financial Services Act, but in most cases it will be difficult to establish when their money was misappropriated. It may well have been long after the firm has received the sanction of the regulators.

The courts will now decide. It seems a shame that it was not sorted out when the investors compensation scheme was introduced in August 1988.

SIB's ear

The battle continues to establish when compensation should be paid for investors who have lost money. The Securities and Investments Board wants to hear investors'

Borrowers put pressure on societies

Millions caught out in annual mortgage review

By SARA MCCONNELL

Millions of mortgage borrowers on annual review schemes are still making monthly payments set when interest rates were 14.5 per cent at the beginning of this year. They have yet to feel the effect of this year's series of rate cuts, which will this week cut the cost of gross repayments on a typical £40,000 Halifax endowment mortgage by an additional £26.67 a month for borrowers on variable payment mortgages.

Some annual review borrowers are starting to put pressure on building societies to reduce their rates to take the rate cuts into account. A Halifax borrower on annual review will be paying £494.51 gross, £52.85 more than the new variable payment.

The Abbey National has capitalised on dissatisfaction among annual review customers by running a newspaper advertisement saying: "Why wait until next year? Reduce your mortgage payment now with Abbey National". This attracted 1,000 phone calls on each of the days it was run.

Most societies are resisting the pressure, saying that borrowers cannot come off annual review just because they think they will pay less. An-

ual review schemes are intended to smooth out fluctuations in interest rates and help borrowers to budget.

The payment is set at the beginning of each society's financial year and adjusted at the end, to take into account changes in interest rates and any under or overpayment. This is added or subtracted from the mortgage debt. The payment rather than the rate is set, as interest rate changes are taken into account when the next year's payment is set.

Jack Rayner, mortgage controller at the Halifax, said: "We understand perfectly that people should wish to reduce their payments if they have the chance. But if you leave the system when it would favour you, you are in dead trouble. It is not in the interests of borrowers to leave. If they don't reduce their debt they will pay more interest."

He said that the society had received a couple of dozen letters from people who wanted to move to a lower payment but that most were satisfied. Only two societies, the Nationwide and the National & Provincial have yielded and cut payments for annual review customers by the same amount as variable payment customers.

From May 17, N&P's annual review customers will pay 12.95 per cent and

Nationwide customers will have a tiered system of rates from 12.95 per cent for loans of less than £60,000 to 11.95 per cent for loans of more than £120,000. The societies claim that the lower rate will not add to the borrower's debt as long as rates continue to fall.

Building societies admit that an annual review system is administratively simpler and cheaper as they only have to write to customers once a year. They also argue that borrowers prefer it. Societies which do not operate this system say borrowers only like the system if it works in their favour, shielding them from high rates.

Mortgage managers say the continuous upward movement of interest rates from their low point of 9.8 per cent between May and July 1988, meant that borrowers did not feel the benefit as they would if rates rose and fell in a normal pattern.



Staying put: Chris Varley has a variable rate mortgage for his Yorkshire home with the Skipton Building Society

would only have been paying more than variable rate customers for three months between April 30 and July 31 1984, between March 31, 1986, and March 31, 1988, and for three months between May and July 1988.

The figures also show that the last six months since the first rate cut of October 6 have meant higher payments for budget plan customers.

Rising interest rates benefit annual review payers during the year, because they are locked into a lower payment. If rates continue to rise, the shortfall added to the total mortgage debt grows.

In August 1988, the same Halifax budget plan customer would have overpaid when rates were low. Some of the total mortgage debt would have been paid off, leaving only £39,719.96 to pay.

By March 31 this year, the accrued debt would have risen to £40,909.

Figures from the Leeds Permanent show a similar pattern. Since the society started its annual review scheme in 1988, a borrower with a £25,000 endowment mortgage would have under-

paid by £294. The Leeds set a rate of 12.5 per cent at its year-end in September 1988, then set a new rate of 13.45 per cent in September 1989. By the next year the rate had climbed to 15.4 per cent.

Banks and building societies that do not operate an annual review scheme say that this rising debt causes problems for borrowers.

Tina Parkes, product manager of mortgage business at Barclays, said: "If rates go up dramatically and annual review customers underpay for six months, the payment would jump in one big lump at the end of the year. For instance, the rate at the start of 1989 was 12.75 per cent but it rose to 14.5 per cent."

He added that borrowers wanting to move house could receive a nasty shock if they redeemed their mortgage only to find their outstanding debt had increased.

Bob Sharples, head of customer services for mortgages and insurance at the Nationwide, said: "If interest rates rocket, we are deferring the blow."

Aversion shared by customer and society

CHRIS Varley is "positively unimpressed" by the prospect of having his mortgage repayments set annually and would consider moving his mortgage account from the Skipton Building Society if it moved on to this system.

Fortunately for the Skipton, it is not about to lose the custom of Mr Varley, a solicitor from Skipton, North Yorkshire, as the society has no plans to put its customers on annual review.

Since 1986, Mr Varley has had a £30,000 Skipton endowment mortgage on his four-bedroom detached house.

His payments move up and down with the interest rate and fluctuated widely between £225 a month when rates were 9.95 per cent in June 1988 and

£343 in March last year when rates were 15.55 per cent.

The variable payments do not bother him. He said: "I would hate to find at the end of the year that I owed 'x' pounds on my mortgage."

"The worst scenario would be to find that I had underpaid."

He does not consider it a benefit to have payments set annually and says many of his clients share his view.

The Skipton shares Mr Varley's aversion to annual review schemes. David Charlton, the society's assistant general manager, said: "We have different types of mortgages to stabilise payments, such as fixed-rate mortgages, and there is not that much need for annual review."

Time is right to cut back payment

HOME buyers can enjoy an immediate reduction in mortgage payments, as one Britannia Building Society borrower discovered recently (Liz Dolan writes).

She took up arms when the society told her that the mortgage rate had been reduced from 14.5 per cent to 13.75 per cent on April 8 and her payment would be reduced from May 1.

Her next payment actually fell due seven weeks after the rate was reduced. "That meant I would be paying £40 more than I ought to in April," she said. "So I complained."

Britannia agreed to reduce her April payment, so that she could benefit immediately from the rate cut, but the society is still bemused about why she was so upset. "She was told that her interest rate would be lower next year because she would have paid off slightly more. Surely it doesn't really make that much difference unless people need the money immediately."

Britannia's redoubtable customer countered: "£40 is £40. I would much rather see it in my pocket now."

The society said: "We're not making any money out of this. We waited to reduce our rate because another bank rate cut was widely expected at the time of the Budget."

Britannia said that few of its other 270,000 mortgage customers had complained, and pointed out that most of the top ten societies only changed their rates once a year.

The Woolwich Building Society, another whose customers are not subjected to the annual review system, has reduced rates twice this year, once at the end of February for April 1 and once in mid April for May 1.

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Yearly change hits the young

By SARA MCCONNELL

FIVE months after he took out a £60,000 mortgage with repayments set annually, Aidan Selwyn has decided the annual review system does not work for him. His £338 monthly payment has not shrunk in spite of three cuts in interest rates.

He said: "There is no sympathy with respect to existing interest rates. I object to the principles of the system and would wish to be on a fully variable rate rather than an annual review."

He was not aware he was being put on annual review when he took out his loan on a £73,000 one-bedroom flat in Alton, Hampshire.

His father, Roy Selwyn, said: "My son was inveigled into the scheme. He did not know what he was getting himself into."

Mr Selwyn senior said in a letter to the Halifax: "Young borrowers are really concerned with their current monthly repayments and the policy that the Halifax is adopting in this respect is quite unhelpful to these hard-pressed young people."

"Your fixed rate for the year of 14.5 per cent compares unfavourably with rates being offered elsewhere and your stand on the further base rate cut required to trigger a fall is not too encouraging."

He was replying to a letter from Mike Cartwright, the Halifax's assistant general



'No sympathy': Roy (right) and son Aidan Selwyn

manager, who wrote: "The payment calculated last year which became operative on April 1 was by coincidence also calculated on an interest rate of 14.5 per cent, which applied on February 1, 1990."

"However, due to increasing rates, the society announced an increase in its variable mortgage rate to 15.4 per cent, effective from March 1, 1990. No adjustments were made to the payments already advised to customers and, as a consequence, the vast majority were cushioned against the effect of the higher interest rate. It did, however, have the effect of allowing debts to slightly increase as the interest charge was in excess of that on which the payments were calculated."

One borrower who appreciates the Halifax's arguments is John Gregory, a building contractor from Leeds. He makes repayments on his £30,000 mortgage in equal instalments of £274 a month. This payment is set to go up by £40 from this month to make up a shortfall from last year. Mr Gregory is not concerned.

"It was a little bit of a shock when I got my review to see that it will be £40 more this year than last year but I know I was paying less last year and I might pay less next year. It all balances itself out in the end and it gives me the opportunity to budget."

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Credit card cuts mean few savings for holders

By LINDSAY COOK, MONEY EDITOR

TWO credit card issuers announced this week that they are to cut their interest rates. Borrowers will save little, if anything at all.

The Halifax coupled the cut in its annual percentage rate (APR) of 28.7 per cent with the news it is going to introduce an annual charge of £10 in July, making its APR 26.9 per cent.

TSB Bank is to cut its Visa credit card rate from 31.3 to 29.8 per cent from the beginning of next month.

The Halifax will also charge interest from the date the transactions reach the account instead of from the statement date. Barclays Bank, Midland Bank, Co-operative Bank, Girobank, the Leeds Permanent Building Society and the Marks and Spencer charge-card have already adopted this. Originally, all credit cards only charged interest from the statement date.

The new method of calculating interest can involve an extra four weeks' interest being charged. It should work out, on average, at an extra two weeks' interest being charged to customers who borrow. Those who pay off their bills in full will continue to obtain up to seven weeks' interest-free credit.

The loss of the interest-free period between the day the items reach the account and the statement date could add about £15 a year to someone who spends £1,500 a year on their card and does not clear the balance.

In becoming the first building society to levy an annual charge the Halifax will also add services to the card.

The TSB, meanwhile, in cutting the monthly rate on its Trustcard to 2.2 per cent, is only bringing it into line with the bank's Mastercard. However, the bank has re-affirmed that it has no plans to introduce an annual fee.

Trustcard, with its 3.6 million card customers, and National Westminster Bank, with 4 million, are the last remaining big card issuers not to levy an annual fee.

Lloyds Bank, the first with a £12 charge in February last year, lost 600,000 customers as a result. The bank charges borrowers 26.3 per cent.

Barclays announced an £8 charge last May and has since lost 475,000 active credit card accounts. In addition, 700,000 people who used the card to back cheques transferred to the Co-operative debit card.

Barclays charges 27.8 per cent. Midland introduced a £10 fee on April 10 and set its interest rate at 28.5 per cent.

The card issuers have been reluctant to cut their interest rates, although bank base rates have fallen from 15 to 12 per cent since last autumn. They blame reduced profitability on increasing bad debts and falling income from retailers.

At Save & Prosper, which monitors credit card changes, Ian Lindsey, the banking director, said margins were moving in the right direction for a cut in card rates. He said it was difficult for customers to compare the rates charged by different companies.

Another credit card operation is up for sale. The Bank of Credit & Commerce International (BCCI), which launched a number of affinity cards, is looking for a buyer. The bank started issuing cards two years ago.



Environment heads ethical priorities

Green funds bloom faster

By HELEN FRIDHAM

INVESTORS in "green" companies have done well this year. While there has been a general improvement in small company shares, green shares have done particularly well.

According to James Capel's Green Index, green shares have risen 27.7 per cent since the beginning of January, against a 20.3 per cent increase in small companies and a 16.2 per cent rise in the FT-SE 100.

Institutional investors are becoming increasingly interested in green shares because companies that take account of environmental trends are often those with the most far-sighted management, says James Capel.

The Ethical Investment Research Service has also found that more private investors are concerned about the environment than any other single issue. Peter Webster, a director of Ethical, said: "Priorities on other ethical issues differ, though nuclear power and low wages in South Africa are of high concern."

There is a growing range of green investment products, including unit and investment trusts, personal equity plans, investment bonds, pension schemes and a tax-exempt friendly society plan.

The two green unit trusts with the highest charges, of 6 per cent initial and 1.5 per cent a year, are TSB's Environmental Investor and Clerical Medical's Evergreen. TSB's trust does not claim to

be an ethical fund, but Clerical Medical's has a list of ethical investment criteria. In this way, it avoids investing, for example, in groups involved in the armaments trade or with repressive regimes.

TSB includes Johnson Matthey in its portfolio because it makes catalytic converters for cars, but Clerical Medical would exclude it because of South African links. While TSB invests in BOC, BT, and Unilever, Clerical Medical would not on grounds of involvement in military production or sale.

There can be other differences about what constitutes a "green" stock. Eagle Star's Environmental Opportunities fund has recently increased its holdings in Fisons despite the continuing campaign by conservationists to persuade the company to stop peat extraction.

Fiona Cutting, fund manager, argues: "We believe that what's good about Fisons outweighs what is bad. Its pharmaceutical side is involved in developing drugs to alleviate the problems caused by increasing air pollution."

Green stocks are often found in ethical funds, such as Friends Provident's Stewardship fund. Indeed Sue Round, Amity's fund manager, puts much of Amity's consistent performance down to green holdings such as Rechem, a specialist in incinerating toxic waste. Amity has one of the lowest levels of charges at 5 per cent initial and 1.25 per cent a year.

Some companies, such as Scottish Equitable, whose Ethical fund was the third-best UK performer in the year to April, justify higher charges on their ethical funds because of the extra research needed.

Investing in green or ethical funds can appear to be an easier option than making companies change offensive policies. However, Mr Webster said it is hard to make company's change. "The most practical way of showing their concern is through such funds. I call it voting with your cheque book," he added.

However, Guardian Royal Exchange blamed only "an anomaly in the 1988 Income and Corporation Taxes Act", when announcing this week that it might withdraw cover on two lives under its Freedom policy. GRE has sold about 50,000 Freedom policies since launching the product in 1985. Richard Wood, the group's director of marketing, said about 15,000 of these policies covered husband and wife separately.

"The Revenue picked this up at the end of 1989," he said. "They suddenly wrote to us about the fact that we might have misunderstood part of the Taxes Act."

Mr Wood said the Revenue had accepted that the Taxes Act was not aimed against policies like Freedom, but intended to prevent higher

Tessas attract cash from rival accounts

By MARGARET DIBBEN

MORE than £5 billion was invested in Tax Exempt Special Savings Accounts (Tessas) in the first three months of their existence.

The Bank of England reported this week that much of the money was transferred from existing savings accounts. Tessas were aimed at attracting new savings by their tax-free status, but many banks and building societies suspected they would prove costly to the Revenue without producing extra savings.

Tessa providers that pay a high rate and advertised widely have attracted the most funds, but virtually none of it was money from first-time savers. In most cases, people simply switched accounts.

Tessas have turned out to be attractive to older people, and equally appealing to women as men all over the country. At Barclays, 80 per cent of Tessas were opened by people over

40. The average balance was £2,300.

At Stigton Building Society, 85 per cent of accounts were opened by new customers and just 15 per cent were existing savers.

Save & Prosper recorded the highest level of new money — with 99 per cent from new customers, half of which came through intermediaries who were paid commission of 1 per cent of the opening deposit.

The Halifax took in 20 per cent of new money out of a total of £892 million, spread over 343,000 accounts with an average balance of £2,600.

Unlike many societies, the Birmingham Midshires did notice a regional trend. It found that nearly all its savers in the Southeast and North preferred to invest a lump sum, whereas in Wales and the Southwest a quarter opened Tessas for small regular savings.

Insurers admit payout dispute with Revenue

By BARBARA ELLIS

INSURANCE firms have been forced to admit they have been in dispute with the Inland Revenue over some of their most heavily marketed policies, without mentioning the fact to either sales staff or customers.

The continuing dispute centres on policies providing cover for more than one life or payouts on more than one occasion, for instance on diagnosis of a "dread" disease and then on death.

The Inland Revenue's position is that when the second benefit is paid, there is a charge to higher rate tax based on the value of the policy just before the second death, plus what was paid out on the first occasion. A spokesman said this had been the law since 1968 in one form or another, though it was restated in 1988 legislation.

However, Guardian Royal Exchange blamed only "an anomaly in the 1988 Income and Corporation Taxes Act", when announcing this week that it might withdraw cover on two lives under its Freedom policy. GRE has sold about 50,000 Freedom policies since launching the product in 1985. Richard Wood, the group's director of marketing, said about 15,000 of these policies covered husband and wife separately.

"The Revenue picked this up at the end of 1989," he said. "They suddenly wrote to us about the fact that we might have misunderstood part of the Taxes Act."

Mr Wood said the Revenue had accepted that the Taxes Act was not aimed against policies like Freedom, but intended to prevent higher

rate taxpayers from benefiting from partial surrenders.

In a statement this week, GRE said: "We will be taking action at the time of the first death to eliminate the possibility of a subsequent higher rate tax charge."

However, Mr Wood acknowledged that the company would not be able to take this action "basically rewriting the policy after the first death — without receiving concessions from the Revenue that are still in negotiation."

"They would need to let us take a surrender value from the policy when the first person dies into a completely new Freedom plan without treating it as a chargeable event."

Mr Wood said that following pre-Budget discussions between the Association of British Insurers and the Rev-

enue, his company and others had expected a change in the law via the Finance Bill, but there was none.

"At the moment, we are hoping things will be sorted out," he said. GRE had not warned its sales people about the continued dispute because it "took the view that if we didn't sort it out we would have to carry the can."

Abbey Life and Allied Dunbar both said their policies covering dread disease were not affected, since they only provide for one payout.

An Inland Revenue spokesman said the dispute also extended to keyman policies, with cover for the lives of several employees.

At the ABI, a spokeswoman said that the association's committees were undecided how best to take the matter forward.

INTEREST RATES ROUND-UP

	Normal rate	Compounded at 25% 40%	Minimum investment £	Notice	Contact
BANKS					
Ordinary Dep A/c	2.85	2.85	2.12	none/none	7 day
Fixed Term Deposits					
Barclays	2.85	2.85	25,000-50,000	1 mth	071-626 1567
Midland	2.85	2.85	25,000-50,000	3 mth	071-626 1567
Lloyds	2.85	2.85	2,500-10,000	3 mth	Local Branch
Midland	2.85	2.85	10,000-100,000	1 mth	0742 528662
Midland	2.85	2.85	10,000-100,000	3 mth	0742 528662
Midland	2.85	2.85	10,000-100,000	6 mth	071-728 1100
Midland	2.85	2.85	10,000-100,000	9 mth	071-728 1100

HIGH INTEREST CHEQUE ACCOUNTS					
Bank of Scotland	7.51	7.58	8.38	2,500	none 081-442 7777
Barclays	6.54	7.12	6.70	2,500	none 0804 258881
Co-operative	6.40	6.40	6.72	2,500	none 071 626 8543
Girobank	6.98	6.98	6.58	1,000	none 051 968 2078
Lloyds	6.98	6.98	6.58	500	none 0272 433372
Midland	6.98	6.98	6.58	2,000	none 0742 528662
NetWest	6.98	6.98	6.58	500	none 071-374 3574
Special Reserve	7.30	7.40	6.92	2,500	none 081-566 8655
TSB Bank	6.28	6.28	6.01	2,000	none 071-800 6000

BUILDING SOCIETIES					
Ordinary Share	4.50	4.50	3.80	1 mth	none
Best buy — largest society					
Portsmouth	9.20	9.00	7.30	800 mth	none
Chesham & Ch	9.20	9.00	7.30	2,500 mth	none
Northern Rock	9.20	9.00	7.30	25,000 mth	none
West Bromwich	9.20	9.00	7.30	20,000 mth	80 day
National Alliance	9.20	9.00	7.30	80,000 mth	1 year
Best buy — all societies					
Chesham & Ch	9.20	9.00	7.30	2,500 mth	none
Portsmouth	9.20	9.00	7.30	800 mth	25 day
Monmouth	10.28	10.28	8.22	10,000 mth	90 day
Shepherd	10.81	10.81	8.49	25,000 mth	80 day
Chesham & Ch	10.18	10.18	8.18	5,000 mth	1 year

Cash/Share Accounts					
Card Cash	4.88	5.08	4.04	25 mth	Rates rise
Card Cash	5.44	5.44	4.36	25 mth	with larger
Northern Rock	5.38	5.38	4.70	1 mth	balances

NATIONAL SAVINGS					
Ordinary A/c	9.00	9.75	9.00	5-10,000	5 day 041-548-4555
Investment A/c	12.28	12.28	7.58	25,000	1 mth 041-548-4555
Income Bond	13.00	9.75	7.58	2,000-25,000	3 mth 0253 961811
Deposited Bond	13.00	9.75	7.58	10,000	3 mth 041-548-4555
30th Issue Cert	8.50	8.50	8.50	25-1,000	9 day 081-385 4500
Yearly Plan	8.50	8.50	8.50	25-200/mth	14 day 081-385 4500

GUARANTEED INCOME BONDS					
Allen	9.70	9.70	8.95	25,000 rich	1 ym Figures from
New Direction Pl	9.40	9.40	7.58	5,000 mth	2 ym Chase 66
Prosperity	9.40	9.40	7.58	5,000 mth	5 ym Vero
Consolidated Life	9.28	9.28	7.58	2,000 mth	4 ym 071 404 5796
Financial A/c	9.28	9.28	7.58	5,000 mth	5 ym for details

RPI (March 80-91)	+8.5%	Holiday rates	£ buys
Bank Rate Rate	12.75%	Spanish Pension	177.00
Personal Loan	14.91%	French Pension	8.70
Credit Card	18.51%	Irish Pension	300.00
		Italian Life	2135.00

1.85% for balances below £200, then 2.0% for balances over £200. Interest rates for withdrawals of £100 or more. 1.85% for balances below £200, then 2.0% for balances over £200. Interest rates for withdrawals of £100 or more.

Compiled by KAREN BUCKLEY

FIRST TIME BUYERS					
Lender	Interest Rate %	Loan Size	Max %	Notes	
BUILDING SOCIETIES					
Chesham	11.50	£15-80K	95	After 1% discount to 28.252	
10274 738444	10.85	negotiable	95	After 2% discount to 31.1251	
10274 738444	11.25	negotiable	95	After 1.55% discount for first 6 months	
BANKS					
Barclays	11.70	negotiable	90	After 1.25% discount for first year	
OTHER (FINANCE HOUSE)					
HomeLife Mortgage	10.95	£50K+	95	Rates capped to April 1992	

Figures supplied by City's Guide Ltd. Telephone 0753 800-802.

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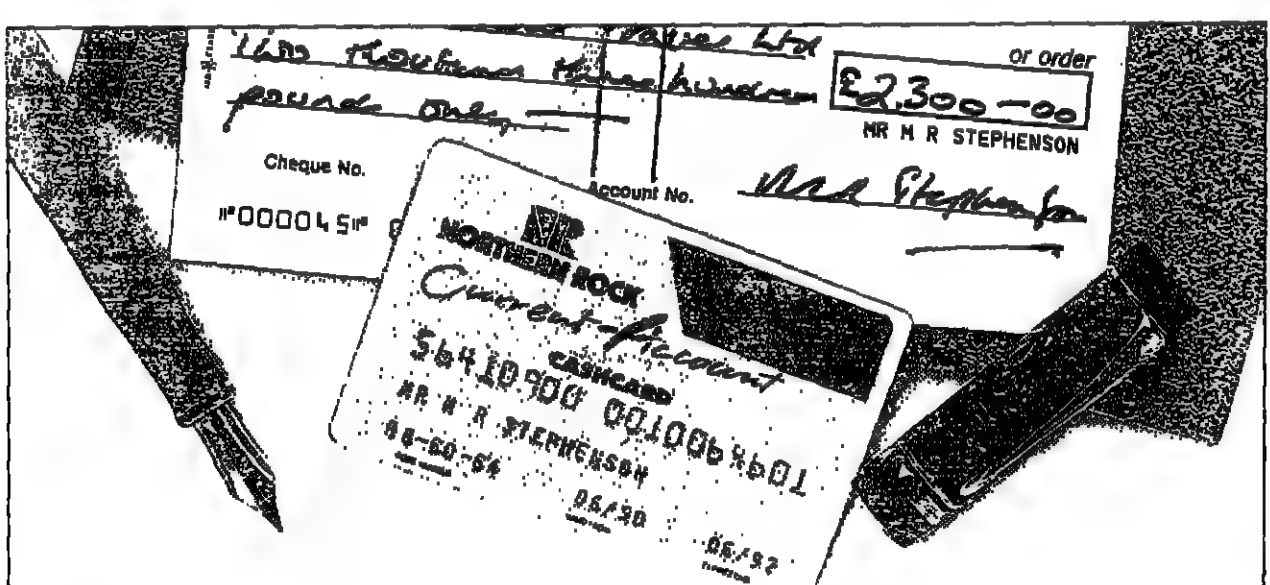
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£10,000+	11.45%	12.07%	8.94%
£2,500+	10.63%	11.41%	8.14%
£1,000+	7.85%	7.92%	5.74%
£1+	6.53%	6.51%	4.87%

* Opening a Northern Rock Current Account is subject to status and residence. Rates may vary, but are applied at the time of going to press. Interest will be payable net of basic rate income tax (which may be reclaimed by non-taxpayers or subject to the required registration). Gross = Compounded Annual Rate is the annual return on your savings if monthly interest payments are reinvested in the account. Cheque guarantee card and overdraft facilities are available on application to customers over 18 years of age. Branches and Agents throughout the UK. Please consult Yellow Pages. Expiry for movement by TSB. Member of the Building Societies Association. Assets exceed £1,000m. If you make your deposit by cheque, you will start earning interest from the day after it is received or later if your cheque takes longer to clear.

To: Anne Westwood, Customer Services Manager, Northern Rock Building Society, FREEMANT, Guildford, Newcastle upon Tyne NE1 1BR.

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Name

Investors stand to lose £15m from Castlegate

By LINDSAY COOK, MONEY EDITOR

UP TO 200 investors may lose a total of more than £15 million because they put money into a scheme described as "risk-free".

The Capital Fund Owners Plan, operated by the Castlegate Group of Reading, Berkshire, promised a 20 per cent annual return to investors, but both remained outside the Financial Services Act or Bank of England regulation because of the way they were set up.

The Serious Fraud Office raided the company last November. Administrative receivers have been appointed for four companies in the group. Castlegate Group Holdings and five subsidiary companies went into creditors' voluntary liquidation.

This week, the officer in charge of the investigation for the Thames Valley Fraud Squad, said: "One of our difficulties is trying to establish the extent of any discrepancy. It already looks as though substantial amounts may already have been lost and, at the end of the day, I have little doubt that many individuals will lose considerable sums."

He continued: "Since November 9, the investigation team has been working full time analysing documents seized from the premises of Castlegate Securities Ltd. We have interviewed a considerable number of investors, borrowers, and Castlegate Securities employees."

"One important area of investigation currently centres around the manner in which mortgage and property transactions were undertaken, in particular the manner in which security for loans was provided: for instance Castlegate records indicate that one property has 23 mortgages secured on it."

Weekend Money questioned the claims made by Castlegate about the safety of the investments last July and gave warning that investors were not protected.

Some people invested directly with Castlegate in the Capital Fund Owners Plan.

Others invested through the directors of companies set up under the plan. This established leading companies for investors who were each asked to invest £250,000.

Castlegate applied for credit licences for the companies and then lent money as second, third and subsequent mortgages. Castlegate provided the administration service, checking the value of properties and making sure that mortgage payments were made.

Sorsky's Specialised Financial Services, whose partners Harold Sorsky and Daniel Platt are joint administrative receivers of two Castlegate companies, Walford Finance and Brandon Finance, has found that many of the properties for which loans had been provided appeared to be substantially over-valued.

Sorsky's were appointed by Allied Trust, which had lent £1,048,444 to the two companies. Sue Collins, of Sorsky's, said that, in one case, Allied provided the funding for a second mortgage on a property which has a current value of £350,000 to £400,000.

The first mortgage through Nightingale Finance - another Castlegate company - is for £381,000. After Allied there are 19 other secured loans on the property, said Mrs Collins. Another property had 15 mortgages.

Of the 48 to 50 properties that had loans through Walford and Brandon, many have more than one charge on them. "Many have several loans made on the same date by other companies in the group. If we sell one of the properties it is difficult to know who should get the money if there are six charges on the same day," said Mrs Collins.

Another property, valued at £700,000 by Castlegate, had been given a current value of £350,000, said Mrs Collins. "The discrepancies are enormous. One property is valued at £400,000 and is now worth only £200,000."

Mrs Collins said she had received a large number of letters from individual investors who had set up pension schemes by putting their money in Castlegate companies. Others had invested their lifetime savings.



Under investigation: Castlegate's offices in Reading

was, quite legally, not a member of any of the self-regulatory organisations.

The Times refused advertisements from the company when it was seeking new investors last summer. At the time, Castlegate wanted people with £250,000 to invest and promised a 20 per cent annual return. This could be earned by lending money on second and third mortgages.

Many individuals fear that they have lost all or most of their savings. They have no chance of redress through the Investors Compensation Scheme, because Castlegate

Pearl seeks the wisdom behind buying at top

By SARA MCCONNELL

THE question as to why the man in the street should always buy at the top of the market is being raised by Pearl Unit Trusts.

The short answer, says Pearl, is "no-one knows". It is partly to try and solve this and other issues that the company has launched an index of investor confidence.

Pearl, in association with Gallup, is intending to carry out a regular monthly survey to measure investors' changing attitudes towards potential investments in the stock market and in general.

The original survey, done in March, set a base of 100, which fell to 95.4 per cent in April, despite lower interest rates and a strong stock market.

As yet, there appears to be no answer to the behaviour of the man in the street. He is still hanging back, watching prices and stock market confidence rise and waiting to buy at the top.

The index is based on answers to two questions: whether the stock market is likely or very likely to rise in the next six months and over the next year. The average of the two responses is the basis of the index, the monthly progress of which will be sent to independent financial advisers and national newspapers.

Gallup will interview a nationally representative sample of about 2,000 people each month, 50 per cent of them personal investors. They all have a personal equity plan, tax exempt special savings

scheme, shares, investment bonds or national savings, or a combination of these.

Mike Hare, head of unit trusts at Pearl, said: "Investors go into the market when it is about to fall. Why does investor confidence always lag behind the stockmarket? There is little reliable information on the attitudes of consumers towards investment or consumer expectations."

He added that the index was partly intended to show independent financial advisers which sections of the population needed most education about the advantages of medium- to long-term investment.

Women consumers need more help in this area than men, according to the first poll. Only 30 per cent of all women said the stockmarket was likely or very likely to rise in the next six months or a year, compared with 49 per cent of men. Women with investments were slightly more confident, with 39 per cent saying a stock market rise is on the cards. Men still outdid them, with 61 per cent of investors showing mild or strong confidence.

Labour voters were less certain about strong stock market performance with the economy still in the hands of the Conservatives. In April, only 41 per cent of Labour voters said a rise was likely or very likely, compared with 60 per cent of Conservatives. Confident Liberal Democrats were also in a minority, mustering 49 per cent.

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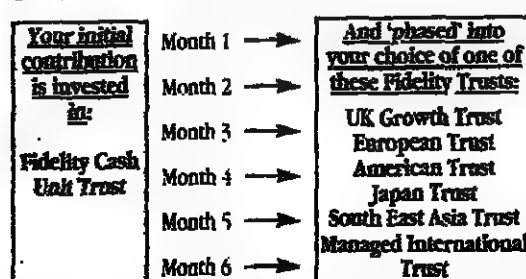
The latest surge on Wall Street due to the discount rate cut is just another reminder that stockmarkets don't sit still for very long. And that, for the average investor, getting the timing right to benefit from these swings can be very difficult.

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So that we may call you no answer any questions you may have



MORTGAGE lenders are continuing to tempt buyers with discounts, adding to the latest cuts in interest rates.

First Mortgage Securities is offering three mortgage schemes, all with a 1 per cent discount for borrowers of less than £75,000 until March 31 next year. The lender's capped-rate mortgage is being held at 10.45 per cent until

March 31 next year for qualifying borrowers. Loans of more than £75,000 have a rate of 11.45 per cent. Fixed-rate mortgages are also available at 10.95 per cent until December next year for loans of less than £75,000.

The rate will revert to 11.95 per cent in March next year and to the prevailing variable rate the following December. The variable mortgage rate is now 11.95 per cent.

Chase de Vere, the mortgage broker, is offering a variable 12.6 per cent, with a 2 per cent discount, in the first year for loans of up to 65 per cent of the property's value. The Birmingham Midshires building society is tempting first-time buyers with a 1 per cent discount until July 31 next year.

Rates are 12.2 per cent for loans of up to £40,000, 11.95 for £40,000 to £60,000 and 11.70 for more than £60,000. The Town & Country building society has extended its Homestart mortgage discount to all customers.

The 1.6 per cent discount on the mortgage rate is guaranteed up to a year after completion. This would make

the Homestart rate 11.35 per cent. Alliance & Leicester has launched two mortgage packages, one for first-time buyers and one for movers.

People whose income reduces in stages if they have a long illness can use the staged payment facility in Equity & Law's Healthcare Income Plan permanent health insurance policy. They can use up to four separate policies within their plans to provide cover at different times while their payments gradually reduce from full to part-time.

Sun Life has added a critical illness cover option to its Flexible Cover Plan. The option will raise premiums but will pay out if the policyholder has one of a range of illnesses, including heart attacks, cancer and multiple sclerosis. Premiums can be raised by 5 or 7 per cent a year or in line with the retail price index.

Zurich Insurance is giving away smoke alarms to 10,000 homeowners who respond to the company's national advertising campaign, urging people to buy buildings insurance from an insurance company.

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LETTERS

Watchdogs lack common sense

From Mr Malcolm Rose
Sir, Lindsay Cook is to be congratulated for highlighting the woeful inadequacy of Fimbra in her editorial headline "Fimbra fails to protect the elderly".

Her views are shared by many Fimbra members who, like ourselves, are thoroughly disgusted at the failure of Fimbra, SIB, Lauro and the rest who regularly and spectacularly fail to display even the tiniest vestige of common sense.

Of course, it is wrong to allow the elderly to gamble with their homes. It is quite ludicrous to try to protect the consumer by overloading him or her with buyer's guides, terms of business and worthless illustrations couched in a language that can only be understood by lawyers and actuaries.

If an adviser is authorised and recommends contracts bearing the imprint of a major and respectable institution, then it is only natural for the investor to take that contract at face value. To expect a non-specialist to read and understand the small print is naive in the extreme.

If Fimbra cannot ban its members from selling unsuitable products, then it is worse than useless. It is positively dangerous. And surely some of the blame, along with claims for compensation, should be directed at those shabby insurance companies who gleefully accepted this business? No doubt they will claim ignorance of the facts, despite policyholders' ages and withdrawal requirements being clearly shown on the application forms.

The Financial Services Act protects nobody, but merely provides employment for bureaucrats and lawyers. Yet the public can be protected

cheaply by enacting simple legislation as follows:
1. No individual or company should be allowed to handle clients' money apart from licensed deposit takers, authorised insurance companies and other major financial institutions, unless they are fully bonded by a substantial insurer.

2. Some of the millions of pounds currently being wasted on regulation should be diverted to informing the public of the above.

3. Scrap all rules except "best advice" and make advisers justify all of their recommendations in writing. This should kill off investment bond based home income plans and the like once and for all.

We, and hundreds of other ethical advisers, have to pay thousands of pounds each year in membership fees and compliance in consequence of an act that protects nobody. Yours faithfully,
MALCOLM A. ROSE,
The Funding Partnership,
33 Goodways Avenue,
Radlett, Hertfordshire.

From Mrs Desrenée Irvine
Sir, Lindsay Cook in Comment (Weekend Money, April 27) is condescending and patronising in her attitude to pensioners when she makes the statement "a pensioner cannot be expected to understand complicated investment products".

From her comparatively youthful standpoint, she appears to make an all-too-common assumption by those who are younger, that anyone who is over 65 must be added in the end.

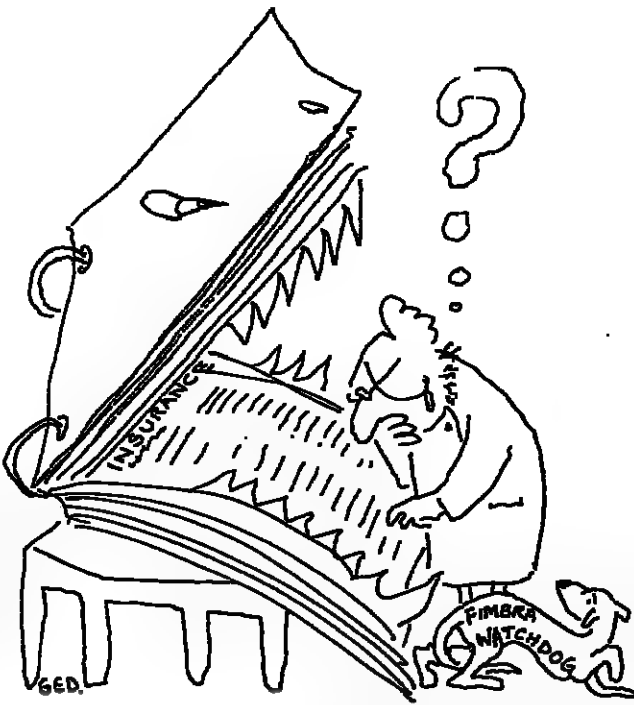
She has chosen as the point of her article the plight of the elderly who have been taken in by some Fimbra members peddling investment bonds. There must be many more

younger punters, perhaps a higher percentage of their age group, who have been just as stupid and incautiously greedy. Declining wit may have nothing to do with it.

I hazard a guess that 80 per cent of the population, young and old, do not understand the "complicated investment products". She, who is in that line of business, does, and will, when she becomes pensionable age.

Let her read her article again when she is 65 and see if she does not then agree.

Yours faithfully,
DESIREE E. G. IRVINE,
Silverwells,
23 Emsford Street,
Lundin Links,
Leven, Fife.



Bank charged son £375.17 for quarter

From Mrs Sheila Davis
Sir, I have just taken it upon myself to try to bring some order into my 23-year-old son's muddled financial life, starting by going through his recent bank statements.

These made enlightening reading! He has an agreed overdraft facility of £1,000 with his local NatWest Bank in Cockfosters, which he most unfortunately frequently exceeds.

Although he is in regular telephone contact with the under-manager, the bank has found it necessary to send him numerous letters (debiting his account with £15 each time) in order to inform him in writing of the facts just discussed on the telephone.

In addition, a mysterious £5 "research fee" appears on his statements on each of the

following dates - 2nd, 3rd, 7th, 8th, 22nd, 23rd January and 6th, 12th, 13th, 14th, 19th, 21st February, 14th, December 1990 and March 1991. The bank has deducted a total of £375.17 from his account, being £161.17 interest charges and £194.00 the various other charges referred above. We start afresh on April 2 with an unpaid direct debit fee of £20.

Is this a record? I fear it most probably is not and that Sir George Blunden is going to have his work cut out to persuade banks or bank managers such as this of their "moral obligations". Yours faithfully,
SHEILA M. DAVIS,
The Spinney,
Beech Hill Avenue,
Hadley Wood,
Hertfordshire.

Managers have disappeared

From Mrs Katharine Graham
Sir, Do you know whether bank managers exist any more? If so, what do they do?

Forty-three years ago I opened an account at one of the main branches of a London clearing bank. For many years I knew the name of the manager and, before he left the branch I was invited to meet his successor.

In the last ten years this has changed - no longer do I know my manager's name for, if I do address a letter to him, as requested on the head of the bank's notepaper, he does not answer personally.

Sometimes, I get no acknowledgement at all, which is infuriating. If I am lucky, I may hear from someone with the title "assistant manager, customer services". I wonder if this lack of communication and personal interest has something to do with the poor results declared by a number of the major banks?

Perhaps managers are all too busy entertaining their bad debtors to find time to deal with their customers who have small accounts in credit? Maybe there are no managers any longer, only faceless computers in their offices. Yours in bewilderment,
KATHARINE GRAHAM,
Detmors Commons,
The Market Place,
Northleach,
Gloucestershire.

Letters are welcomed, but The Times regrets it cannot give individual replies or advice. No legal responsibility can be accepted for advice or statements in these columns and independent professional advice should be sought.

Savers face charge for replacement of lost passbooks

By BARBARA ELLIS

SAVERS may soon have to start paying to replace lost or stolen passbooks if moves by the Abbey National bank and the Halifax Building Society are widely imitated.

The Abbey National ran a three-month experiment in Crouch End and Islington, in north London, charging customers £5 for replacements after a sharp rise in the number of people claiming to have lost books.

A spokesman said: "During the trial we found that 60 per cent of the people confronted with a possible charge would

make another search and find the book. The other 40 per cent had no objection."

As a bank, the Abbey National was able to impose the charge at will, but left it to the managers' discretion. The spokesman said that the areas had not been chosen for the experiment because of a bad record of book losses.

Halifax savers are to be asked to vote on amendments to the society's rules at the annual meeting on May 20, which will allow for a charge to be made for a replacement. A Halifax spokesman said

that the society did not charge for replacements at present. "The rule is in there in case circumstances change and we want to fall back on it. We would not obviously make an unreasonable charge, but if someone ever did feel a charge was unreasonable they could go to the ombudsman."

The spokesman added that there was no reason to believe that the change of rule was signalling a big change in terms and practices for savers. It would ensure that the society's internal rules lined up with the Yellow Book rules of the International Stock Exchange on admission of securities to listing, he said.

Another of the proposed amendments expanded the meaning of "passbook" to cover share certificates. He explained that this had been necessary as part of the society's preparations to issue permanent interest-bearing shares (Pibs).

The Nationwide Building Society is also planning to issue Pibs and amended its rules last July, but clearly separates passbooks from share certificates.

The present rules say that no charge other than "exceptional out-of-pocket expenses" is to be made for the issue of a new share certificate. Savers have to confirm the loss of a passbook in writing and will be issued with a new one "on such terms as the board thinks fit". After consulting the society's lawyers, a Nationwide spokeswoman said this meant that no charge would be made for the replacement.

Abbey extends share dealing for customers

By SARA MCCONNELL

ABBEY National customers will be able to deal in a wider range of shares from this week, at branches and by post or telephone.

The existing sharedealing service has been extended to include BT, British Airways and BAA. Before, Abbey customers could deal in Abbey's own shares and regional electricity firms and generating companies. Abbey has linked with Sharelink, the execution only sharedealing service, and has written about it to 3.7 million shareholders.

The cheapest way to deal through the service is by post. A commission of £17.50 is charged for sales of shares up to £2,333. Shares with a value of between £2,334 and £5,000 attract a commission of 0.75

per cent and additional amounts over £5,000, 0.15 per cent. Shares sold or bought by phone cost £24.50 for up to £1,400; up to £2,500 worth of shares will attract a commission of 1.5 per cent and up to £5,000, 1.25 per cent. Family sales are cheaper still, calculated by adding up the total value of the transaction.

The Norwich and Peterborough building society is offering a cheap dealing service in Mirror Group shares through Waters Lunniss, its stockbroker, from around May 21 until June 7. Customers and non customers will pay £15 a deal. Up to four members of a family with the same surname will also be able to deal at this price if they each have letters of allocation.

OSE ALLOWANCE, MARCH 91

The indexed rise for calculating the indexation allowance on assets disposed of in March 1991.

Month purchased	1982	1983	1984	1985	1986
January	-	0.591	0.513	0.441	0.365
February	-	0.584	0.507	0.429	0.350
March	0.654	0.581	0.502	0.418	0.339
April	0.621	0.559	0.482	0.388	0.345
May	0.610	0.552	0.477	0.380	0.343
June	0.605	0.549	0.473	0.377	0.344
July	0.606	0.540	0.476	0.380	0.347
August	0.604	0.534	0.461	0.376	0.343
September	0.605	0.527	0.458	0.377	0.337
October	0.597	0.521	0.449	0.376	0.335
November	0.590	0.516	0.445	0.370	0.323
December	0.593	0.512	0.446	0.368	0.319
	1987	1988	1989	1990	1991
January	0.514	0.272	0.184	0.100	0.009
February	0.509	0.267	0.175	0.093	0.004
March	0.506	0.262	0.170	0.082	...
April	0.291	0.242	0.150	0.050	...
May	0.289	0.237	0.143	0.041	...
June	0.289	0.233	0.139	0.037	...
July	0.291	0.231	0.138	0.036	...
August	0.287	0.218	0.135	0.026	...
September	0.283	0.212	0.127	0.016	...
October	0.277	0.200	0.118	0.008	...
November	0.271	0.195	0.109	0.011	...
December	0.272	0.191	0.106	0.012	...

The PI month for disposals by individuals on or after April 1, 1985 (April 1, 1986 for companies) is the month in which the allowable expenditure was incurred, or March 1982 where the expenditure was incurred before that month.

Calculated statement

From Mr K Watkins

Sir, Further to Mr Markson's letter (Weekend Money, April 20), it would be of assistance to bank and building society customers if interest calculations were also printed on statements.

Yours faithfully,
K. WATKINS,
Letchers,
North Road,
Alfrinton, East Sussex.

Portfolio PLATINUM

For readers who may have missed a copy of The Times this week we repeat below the week's Portfolio price changes (today's are on page 25).

Day	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Today
1	+7	+4	+4	+3	...	...	...	...
2	+5	+2	+7	+5	...	...	...	...
3	+5	+1	+4	+5	...	...	...	...
4	+7	+4	+3	+8	...	...	...	...
5	+5	+2	+5	+7	...	...	...	...
6	+5	+1	+7	+4	...	...	...	...
7	+5	+2	+3	+6	...	...	...	...
8	+5	+2	+3	+4	...	...	...	...
9	+4	+2	+5	+9	...	...	...	...
10	+2	+2	+2	+7	...	...	...	...
11	+4	+1	+4	+7	...	...	...	...
12	+4	+1	+2	+9	...	...	...	...
13	+3	+1	+3	+7	...	...	...	...
14	+3	+2	+6	+4	...	...	...	...
15	+7	+4	+4	+3	...	...	...	...
16	+4	+1	+5	+7	...	...	...	...
17	+8	+4	+2	+5	...	...	...	...
18	+6	+1	+4	+8	...	...	...	...
19	+4	+3	+7	+4	...	...	...	...
20	+7	+3	+3	+5	...	...	...	...
21	+4	+1	+8	+6	...	...	...	...
22	+3	+1	+3	+7	...	...	...	...
23	+5	+2	+4	+6	...	...	...	...
24	+4	+1	+6	+4	...	...	...	...
25	+4	+1	+5	+3	...	...	...	...
26	+6	+1	+4	+9	...	...	...	...
27	+2	+3	+2	+6	...	...	...	...
28	+4	+1	+8	+5	...	...	...	...
29	+8	+4	+3	+3	...	...	...	...
30	+4	+2	+7	+5	...	...	...	...
31	+5	+1	+8	+7	...	...	...	...
32	+4	+3	+8	+3	...	...	...	...
33	+3	+2	+2	+5	...	...	...	...
34	+7	+3	+2	+4	...	...	...	...
35	+8	+5	+3	+4	...	...	...	...
36	+3	+1	+3	+6	...	...	...	...
37	+5	+2	+7	+4	...	...	...	...
38	+3	+1	+3	+5	...	...	...	...
39	+6	+1	+5	+8	...	...	...	...
40	+2	+2	+3	+6	...	...	...	...
41	+7	+3	+3	+3	...	...	...	...
42	+5	+1	+5	+8	...	...	...	...
43	+3	+3	+3	+5	...	...	...	...
44	+3	+1	+8	+3	...	...	...	...

Due to production difficulties Tuesday's game was declared void and the figures should not be used in calculating your weekly total.

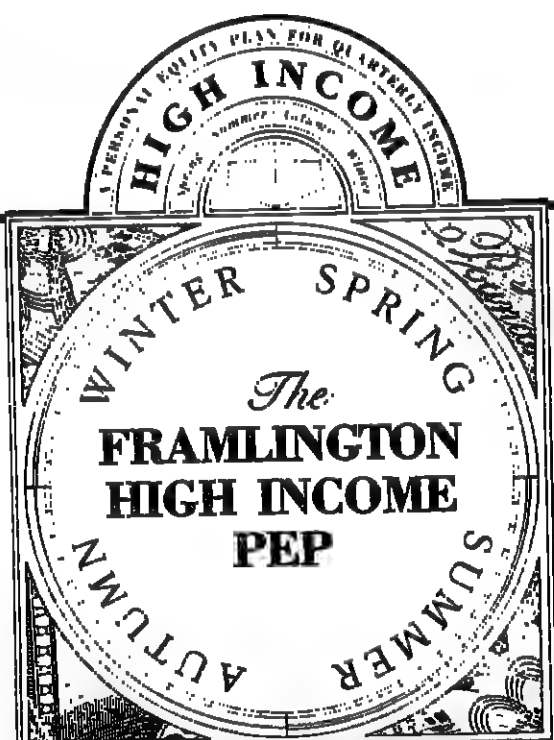
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THE INVESTMENT HOUSE

RUGBY UNION

Harlequins carry familiar burden of cup favouritism

By DAVID HANDS

NORTHAMPTON'S approach to Twickenham has been miserly. In reaching its first Pilkington Cup final today, the Midlands club has done scarcely more than necessary, scoring four tries in its four qualifying matches. For a club in such internal turmoil two years ago, it is no mean achievement.

In the sharpest of contrasts, Harlequins, the game's aristocrats, with 17 tries in this season's competition, have seemed predestined for the final so long as the draw continued to steer them clear of the best of the rest — Bath and Wasps. Not that their path to the final has been easy: a two-point thriller at Kingsholm; their old rivals, Rosslyn Park, from down the road; and extra time against a gutsy Nottingham XV.

Since, too, Harlequins have contributed seven players to

the England squad this season, the demands upon them have been as never before. But in those three cup games against first-division opponents, they have made only one change, when Will Carling withdrew injured from the semi-final tie with Nottingham.

They must carry the weight of overwhelming favouritism into the final but they are well equipped to do so: 11 of their players have played international rugby and, of the other four, three appeared in the 1988 cup final, leaving Rob Glenister the exception.

Nor is there a more experienced judge of cup finals than Simon Halliday, his 16 England caps aside. Halliday has played in five finals for Bath, He took part in last season's rout of Gloucester, kicking the final conversion in what was then believed to be his final first-class match since an op-

eration on a chronic ankle condition awaited. How well he has recovered is indicated by the speed with which his new club hustled him into the first XV and his country into the national squad.

What can Northampton, who lost their final league game a depressing 48-0 against Rosslyn Park, put up against that? Gary Pearce and John Oliver can tell them all about pressure at the highest level but the feeling persists that the Saints have already played their "final" in disposing of Orrell at Franklin's Gardens a month ago. That result suggests the players do not lack confidence, though how much that can be attributed to the talismanic presence of Wayne Stiles, the New Zealand No. 8 no longer with them, may be indicated today.

Northampton's strength lies in their tight five forwards, which may give Richard Nancekivell opportunities he was not slow to take for Cornwall against Yorkshire a fortnight ago on the same stage.

"If we do everything at 100 per cent we can give them a game," Pearce said, doubtless hoping that John Steele can gain some control, both in his general play from stand-off half and his place kicking. Steele has registered 46 points in the cup this season (against 53 by David Pearce) and, if Northampton are to prevail, he must take every chance afforded. Even if he does, it is unlikely to be enough.

PATHS TO THE FINAL: Harlequins beat Clifton 55-4; Bath Gloucester 15-13; Bath Rosslyn Park 24-12; Bath Nottingham 22-10; Northampton beat Harlequins 15-4; Bath Saracens 16-10; Bath Moseley 10-2; Bath Orrell 18-10.

TODAY'S TEAMS AT TWICKENHAM			
Harlequins		Northampton	
S Thresher	15	Full back	I Hunter
A Harriman	14	Right wing	F Packman
W Carling	13	Right centre	J Thorne
S Halliday	12	Left centre	P Moss
E Davis	11	Left wing	H Thornycroft
D Pears	10	Stand off	J Steele
R Glenister	9	Scrum half	R Nancekivell
J Leonard	1	Prop	G Baldwin
B Moore	2	Hooker	J Oliver
A Mullins	3	Prop	G Pearce
M Skinner	6	Flanker	P Alston
T Coker	4	Lock	C Hall
P Ackford	5	Lock	J Etheridge
P Winterbottom	7	Flanker	P Peak
R Langhorn	8	No 8	T Rodder

Referee: E. Morrison (Gloucestershire)

REPLACEMENTS: 16 N Kibick, 17 C Linton, 18 M Elsworth, 19 P Chatterton, 20 M Russell, 21 M Hobley.

REPLACEMENTS: 16 D Skirrow, 17 S Ward, 18 M Elsworth, 19 P Roworth, 20 V Potholung, 21 D Newman.

Lynagh's threat of a ban

MICHAEL Lynagh, the gifted Australian stand-off half and Queensland captain, is at the centre of an advertising controversy which may bring him a ban. He has appeared in television commercials without Queensland and Australian Rugby Union approval for Brewer Power's despite the QRU's longstanding sponsorship contract with Carlsberg.

Lynagh, who has shares in Power's, expected the officials' response. "That just shows the hypocrisy in the game and its advertising framework," he said. "I show my loyalty to the game by rejecting a million-dollar rugby league offer last year and they want to deny me my right to make a commercial decision."

Tradition favours Llanelli in final

By GERALD DAVIES

WELSH rugby has had few more gratifying sights this season than the remarkable revival, survival even, of Pontypool. This afternoon, against Llanelli, they are back at the Cardiff Arms Park for the first time since 1983 in an attempt to lift the Schweppes Cup for the second time.

Pontypool's style has its vociferous and even angry critics. But their strengths, particularly at forward, have been sorely missed in Wales.

In their matches since their revival began around Christmas, their success has been sustained by the old Pontypool virtues based on rugged power and unyielding forward pressure. Llanelli did not have too bright a start to their season, either. They are ending it though with a stylish flourish.

Pontypool have two points of concern. Are their assets too limited? Can they cope with the day? Llanelli can always be depended upon to provide something extra and have speed and invention in the backs.

Llanelli revel in the big time in the way their opponents, whenever the time comes, fight shy of it. Llanelli have won the cup on six occasions. The Gwent club have only been to the final once. At other times they have faltered. Before they get to think of the tactics, Pontypool must first of all come to terms with the occasion.

PONTYPOOL: A Perry, S White, R Lewis, S Jones, A Dwyer, G Jenkins, L Weston, C Hogg, N Jones, R Goodwin, V Davies, D Llanelli. Llanelli: J Evans, N Davies, S Davies, S Bowring, C Stephens, R Hogg, R Green, D Pugh, L Davies, L Lewis, P Davies, A Copsey, L Jones, J Williams.



Raindrops keep falling: But for Richard Langhorn, the man with no asterisk to his name, the sun will shine if Harlequins take the Pilkington Cup

Colours that still dazzle for Langhorn

By DAVID HANDS
RUGBY CORRESPONDENT

SIX years ago Richard Langhorn was nominated most promising newcomer at the Harlequins' end-of-season players' dinner, which is something of an accolade to hang around anyone's neck. Today he claims another distinction: the only non-international in the Harlequins' pack which plays against Northampton in the Pilkington Cup final.

The angular Langhorn, aged 26, will also be, with Stuart Thresher, the longest-serving club member on the field; coincidentally, both were educated at Sevenoaks where, doubtless, dependability and loyalty come high on the curriculum. There have been times, since 1985, when Langhorn's patience has been tested because he has been, by no means, an automatic choice but he has stuck admirably to the club he joined

"because I saw the colours on television and liked them. It's a frustrating club for any player. There is so much depth, so many people coming and going, you can never be too sure of your position. You have to be of the highest standard to be completely secure. Perhaps that's no bad thing: the times when there has been no pressure on me, I have played my worst."

The pressure on Langhorn's favoured position of No. 8 has come from a variety of players: the senior international, Stuart Thresher's brother, David, a B international; the Australian international, Troy Coker, whom Harlequins prefer to put a step wrong, including injuries and work commitments. And, if you are out, you have to hide your face.

Langhorn has all the matter-of-factness of his native

Australia but a cosmopolitan background which makes him a natural for Harlequins. Because his father was employed by Qantas, he spent 12 years in Scandinavia before returning to Sydney and then completing his education in Kent. He has the opportunity next month to return to Australia, this time with the London Division touring party.

As a schoolboy, his rugby contribution was limited but his size — he is now 6ft 6in — always ensured him a place at second row and the more he learned about the game, the more he grew to appreciate playing in the back row. As a youngster he enjoyed watching Mark Loane, probably the best No. 8 Australia ever produced, perform while the natural competitive attitude of his country became deep seated. "Even at the low level I played in Australia, the competition was unbeatable."

Now he is surrounded by kindred spirits. Brian Moore, Peter Winterbottom, Mickey Skinner whose edge has been honed by international rugby. Not that Langhorn feels out of place when the programme shows no asterisk by his name: "I played with all the others — except Brian and Wints — when they were not internationals. It means nothing. They're the guys you train with. You know that the cup means as much to them as it does to you, whatever they have achieved at other levels. It holds a special place, it brings a glint to their eye."

"Three years ago [when Harlequins won a magnificent final against Bristol] in the three months prior to the cup final, we used only 17 players and there came a stage when I was seeing more of them than I did my girl friend or my parents. We had a shared single-minded-

ness. This year we have done well but with more players. We haven't developed the same continuity we did then."

"Also the outside pressure has been greater, because rugby demands so much at a time when I'm having to work even harder at business [Langhorn is a money broker]. The City has taken a bit of a beating in the last year and individuals are feeling the strain, really having to earn their way."

At Twickenham today, Langhorn will earn his way against another promising No. 8, Tim Rodder, but then, his senior career has been spent doing just that and he may well reflect that the demand could have been greater. Had New Zealand not called Wayne Shelford home, the former All Black would have been his opposite number. Now that would have given him a hint of what Loane, his role model, experienced.

The giant who may have to change allegiance

By OWEN JENKINS

THE MAN with the cockney accent has found a warm welcome among the lifting Scarlets, however much they may try to take the rise. "They call me Dagenham Dai or Fletch but Rupert Moon and I give as good as we get," Anthony Copsey said.

Today, at the end of his first full season with Llanelli, the 6ft 7in, 17 stone Copsey plays against Pontypool in the Schweppes Cup final,

hoping that the National Stadium will provide the stage for recognition from England's selectors. He will spend the summer working on a personal fitness programme designed to advance his claims for a place in England's second row although Wales may ultimately benefit.

Although England deferred the announcement of two second row places for their tour of Australia this summer, Copsey never ex-

pected a late call-up. After playing for England Students and touring Namibia with them last year, he finds "English rugby above club level is much better organised and so much more switched on". Under the new residency rules, Copsey will, however, be eligible for Wales in another two years after living in the principality for four years after attending Cardiff Institute.

"I am English through and through," he said, "but if

nothing happens then it is something I will have to consider. I didn't think I was with a chance to go to Australia with England. I'm at the end of my first year in club rugby and now I have my own personal targets."

"Being out of the English limelight perhaps makes it difficult to get some notice." But Copsey could not have chosen a better tutor alongside him in the second row than Phil May, although Copsey will miss him there

today because of May's dislocated shoulder. "Phil is very good alongside me and is always talking to me during the match to sort out any problems," he said.

"It's a brilliant feeling being associated with Llanelli in this final and my loyalties are very much on the Welsh scene at the moment. Everything I need is in Llanelli but if I wanted to further my career I may have to consider my position in a year or two."

BADMINTON

Whitewash eases Ciniglio's task

FROM RICHARD EATON IN COPENHAGEN

ENGLAND'S return to the first division of the Sudirman Cup was ensured here yesterday by a 3-0 victory over the Netherlands which caused the manager, Ciro Ciniglio, to pronounce that this was "his first job done".

Ciniglio returned to the role in August after five years, and did so in far more difficult circumstances than those in which he left. He plans nothing less than the complete regeneration of the England team.

His first hurdle cleared was achieved, finally, with the assistance of Darren Hall. The English national champion ignited the discomfort in his back that had kept him out of the victories over Taiwan and Malaysia, to win 15-7, 15-11 against Chris Bruil, a forceful but variable youngster who had nearly beaten the England No. 2, Steve Butler, in last year's European championships.

Bruil scored well with tight overhead drops but extracted short lifts which he put away with sharp smashes, sometimes delivered from a spectacular airborne preparation. Hall's movement was slightly restricted but he noticeably increased the pressure in the middle of each game and Bruil could never quite match the pace without making mistakes.

England's other leading singles player, Helen Troke, also played with spirit. She recovered from 4-9 in the first game and let slip a 10-2 lead in the second game during which her opponent, Astrid van der Knapp, saved four match points. The tall player from The Hague, who twice beat Troke two seasons ago, had looked finished at 4-10 when she collapsed like a fallen tree upon the base of the scoreboard.

She arose to advance to 11-10 before two tired looking mistakes handed back the initiative which Troke accepted with an overhead sliced dropshot winner at match point.

The other important English win came in the opening encounter between Andy Goode and Gillian Cowers in the mixed doubles. Troke's success ensured a winning 3-0 lead.

High society clans gather for braves of Badminton

By KEN LAWRENCE

IT IS the very epitome of Britishness. Badminton represents something that still means something to many of this nation. You have a famous house in a picturesque estate; you have high society and royal patronage; Barbour and Land Rover by the thousand; gun dogs with pedigrees as long as the flag pole. And you have, of course, the horses, full of bravado and courage, and their riders similarly invested.

Today is the third and most spectacular of the four days over which the Whitbread Trophy is contested at the Badminton horse trials — the cross country. Upwards of 150,000 will converge upon this Cotswolds retreat and millions more will be watching on both TV and radio.

This afternoon (Grandstand from 1.15 and BBC 2 at 4.40). For an event that is losing its sponsor after 30 years once the Princess of Wales presents the trophy tomorrow, Badminton is in remarkably fine fettle. They will probably get another sponsor or but if they do not Huw Thomas, the cheerful, director

SPORT ON TELEVISION

THE WEEK IN VIEW

of Badminton insists that they will jog along quite comfortably without one.

As befits one of the great championships, Badminton always attracts a high class field but today's is exceptional by any standard. "We will have the first six from last year's world championships plus two or three others who did not compete or, like Ginny Leng, did not do well but are here this weekend," Thomas said. "I will not say it is the best field ever but it is certainly of the highest class imaginable."

Viewers today will not easily spot changes to the course. The height of the fences has not altered since 1912 and riders and horses get that little bit better as evening becomes their way of life than a relaxation.

THE WEEK'S HIGHLIGHTS

TODAY: ITV will show the Sunderland and Arsenal game live from 5.15, and the Saint and Grenville Show (TV 2.20) will also come from the park. The 2,000 Guinness are on Channel 4 from 2.15, the world's worst sportsmen will be settled at Sheffield (BBC1 at 10.55pm), during Grandstand — before the second half of the Pilkington Cup final at Twickenham between Harlequins and Northampton — and on BBC2 at 10.05pm. Billy Harry's 250 lb heavyweight title will be defended by Oleksandr Usyk on both Eurosport (from 8.00) and Sky Sports (from 8.00).

TOMORROW: Opening frames of the world snooker final are in Sunday Grandstand on BBC2 at 1.55, and then at 8.00, 8.15 and 8.25. Badminton concludes with showjumping (about 3.30 on Grandstand), Live Rugby

Assurance League cricket between Glamorgan and Nottinghamshire is on Sky Sports (1.00) while Screenport test cycling from Spain (2.00). MONDAY: The Football League title battle continues on ITV (from 4.50) with Liverpool at Nottingham Forest. Peter Elliott is at the Grandstand athletics meeting which can be seen on Grandstand (BBC1, from 1.30), which also carries frames 17 to 24 of the world snooker, with the final 11 frames on BBC2 from 7.15.

TUESDAY: Harry Carpenter (BBC1, 10.55pm) does the honours at the ABA boxing finals. Benson and Hedges cricketers are on Sky Sports from 10.30pm.

WEDNESDAY: Derek Angell, the unbeaten British and Commonwealth cruiserweight champion, hosts Tee Jay on Sportsnight (BBC1, 10.25) which also looks at the disgruntled West Indies cricketers.

THURSDAY: When Newcastle's 17-year-old Stephen Watson broke into the first team he was hailed as "the next Gazza". A dozen wished to sign him, not clubs, but football agents offering to make him rich for 20 per cent of his earnings. On the line is back on Thursday (BBC2, 6.30), promising to dig deeper and seek out the hard questions — football agents will be their first victims. Eurosport has the first practice session of the Monaco Grand Prix (8.00pm).

FRIDAY: Screenport brings the European tour golf from Spain (2.00) with the Duke of Edinburgh's favourite sport carriage driving from the Windsor Horse show (3.30). Grandprix practice at Monaco is on Grandstand (8.30).

STUDENT SPORT

Trial turns into test of venues

By MARK HERBERT

ALTHOUGH intended to be a one-off event, with selection for the World Student Games at Sheffield in mind, the first combined British Students athletics championships, starting this afternoon, have attracted such a large entry that the organisers will consider running the event annually.

More than 1,500 competitors have entered the event, which now needs all three days of the bank holiday weekend to accommodate it. The Don Valley stadium in Sheffield, venue of the athletics in this summer's Games, thus receives an extensive trial run of its competitive and organisational facilities.

The British Student Sports Federation (BSSF), which is organising, will incorporate the British Universities Sports Federation and British Colleges Sports Federation championships into the event.

It was originally feared that the event would clash with other championships, lowering the standard of entry, but the Universities Athletic Union and British Polytechnics Sports Federation held their events last weekend.

The size of entry makes the championships easily the largest single event on the student calendar. The BSSF, which has introduced national student leagues combining all the sectors in some sports this season, will consider ways of continuing the combined athletics championship beyond this year.

Although not the sole trial for the World Student Games competitors, most of the Great Britain selectors and coaches will be present.

NON-LEAGUE FOOTBALL

Guiseley seeking Yorkshire first

By WALTER GAMMIE

THE FA Vase final today promises a fine contest between teams that have dominated their leagues in outstanding fashion this season. Guiseley Rovers, the Banks's Brewery League champions, and Guiseley, who swept away with the Weekly Wynnors League, expect to draw a crowd of 12,000 to Wembley.

Guiseley, near Bradford, is best known for Harry Ramsden's, the world's biggest fish and chip shop, which duly invited the players in this week for a pre-Wembley treat.

Gordon Rayner, the manager, has enjoyed an extraordinary first season in charge, with Guiseley losing only two of 50 matches. The club, which was knocked out in the semi-finals last year, is looking to break new ground. "There have been five Yorkshire finalists in the Vase, and none of them have won it — we'd like to be the first."

If Guiseley, from Burton-on-Trent, win the Vase, they may become the subject of one of

those questions beloved of trivia buffs: which club won a Wembley final but lost in the first round? Guiseley were defeated by Mile Oak Rovers, but reported their opponents because they had fielded three ineligible players and were reinstated.

Frank Northwood, the manager, said: "We received a nice letter from Mile Oak wishing us all the best. They said they were going to bring a coach down to support us. It really is superb." Northwood's final addition to the squad was a promising youth team player, his son, Stephen, aged 15, who will be sitting in his newly acquired Guiseley flannels and blazer on the bench.

Win or lose at Wembley, both clubs will have much to look forward to next season. Guiseley moving up into the HFS League and Guiseley hoping to join the Beazer Horse League, subject to their Mead Ground meeting the grading criteria.

Barnet need but draw

BARRY Fry's long wait may be over (Walter Gammie writes). The Barnet manager takes his team to Fisher Athletic today knowing that a draw will bring the GM Vauxhall Conference title and promotion to the Football League.

Altrincham's 2-0 defeat at home to Northwich, their night ended the hopes of John King's side: a return of one point from four matches in a campaign programme opening the way for Barnet.

"It's the third time I've gone into the last Saturday of the season with the possibility of going up," Fry said. "It's the first time it's been in our hands."

Fry wants to include Eddie Stead, player-coach, in his squad. "He will be the one to lift up the trophy if we win it," Fry said. "He's been fantastic in his ten-year spell with us, and played in all the back four positions, midfield, wing and even centre forward, and it will be his 500th game for us."

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THE TIMES SPORT

Big corporations targeted as sponsors

Players launch scheme to put rugby on map

By DAVID HANDS, RUGBY CORRESPONDENT

THE England rugby union players, collectively the subject of much ill-informed criticism this season for trying to turn the game for their own ends, announced yesterday an initiative intended to popularise the sport. Its theme will be "Run With The Ball".

In a year when the profile of the game has never been higher in England, because of the national team's grand slam success and the World Cup to be played this autumn, the players have devised a scheme which will make major corporations "Official Supporters" of English rugby. The objective is to raise £2 million from eight elite packages, which will go towards the promotion of rugby among youngsters and which will use the expertise of the Rugby Football Union's (RFU) own youth development officers.

The plan has been discussed in the context of the RFU and players working party over the last four weeks, to ensure that proposals remain within the boundaries of the amateur regulations. At the end of the campaign there is likely to be a residue of funds from non rugby-related activities — perhaps to the order of £300,000

— which will be divided, I understand, on a share basis between players involved in the national squad over the 1991-2 season.

A main instigator of the campaign is Brian Moore, the Harlequins and England hooker, who received a reprimand from the RFU yesterday. Moore was fined £500 and given a suspended jail sentence by Nottingham magistrates last week after pleading guilty to a charge of assault and the RFU committee, in issuing the reprimand, warned him about his future conduct.

Nevertheless, the decision will be a relief for Moore who plays today in the final of the Pilkington Cup against Northampton and will tour with England to Australia and Fiji in July.

The RFU took the view that Moore had suffered enough for his intemperate action, which was the result of considerable provocation. "I'm incredibly relieved," Moore said, "because the last seven months have been a nightmare. I have known the court case was looming and I have tried to keep it as far away from my rugby as possible but it has been very difficult. I

hoped when rugby came to judge me they would take into account the positive influence I have had on the game generally."

Moore was one of a group of leading players who, acting for Player Vision, the England squad company, outlined the promotional plans yesterday. They have been formulated in conjunction with the Parallel Media Group (PMG), a company which has a contract to act as marketing and promotional advisors to Player Vision. David Cicifra, the PMG chairman, said: "The players came to us with a vision of what they would like to do for the game."

The upshot of their discussions is a national advertising campaign on radio, television and in cinemas which, the players hope, will establish the profile of the game with young people and ensure its healthy growth in the years to come.

They have weighed the unparalleled marketing opportunity offered by the World Cup against the economic recession the country is suffering and clearly believe big companies will wish to become involved.

Promoting the product

By SIMON BARNES

IT IS not every day that you can offer an organisation more than £1 million and worry about catching hell for it. But yesterday the England rugby team unveiled a zappy, glossy promotional package to raise money for the Rugby Football Union (RFU) — and then held a meeting with the press in an effort to pre-empt criticism.

In a bizarre atmosphere of jargon, Filofax, suits and naty-striped shirts, the meeting took place with players and promoters together at the office of Parallel Media, the company the team has engaged to promote the interests of themselves and of the game. The plans were revealed to half a dozen journalists selected for their record of sympathy with the players.

"The World Cup is a unique window of opportunity," the England captain, Will Carling, said in the nattiest striped shirt of them all. "This offers

the chance of a huge promotional exercise designed to benefit the whole game — not individual players."

The package has everything the corporate marketing person might expect. There is a slogan — Run With The Ball — and a logo, this being a stylised picture of Rob Andrew — the only picture in existence of Andrew actually running with the ball — a campaign of cinema ads to reach the young, posters, television commercials, radio slots and so on. It seeks eight big corporate "supporters" paying £250,000 each.

Parallel Media has worked on the package for four weeks after being approached by the team. The quorum of senior members of the team turned up to present the package to the press: Carling, Brian Moore, Richard Hill and Rob Andrew.

This was something of a

momentous occasion, perhaps the first time in history any national team has hijacked the commercial potential of the game from the game's governing body. But yesterday's meeting of the full committee of the RFU, all 57 of them, gave approval "in principle" to the package. This was hardly automatic. Six weeks ago, the RFU refused a player permission to accept a £100 clothing voucher and some observers had thought that if the package were accepted at all, it would come in over a few dead bodies.

"The players have taken the initiative, but we have kept entirely within the guidelines set out for us in writing by the RFU," Carling said. "I did not anticipate opposition from the committee... How could anyone turn down £1 million?"

The players stand to make some money themselves, in ways outlined in the official guidelines. These are for activities that are not "rugby related". All players stressed that they were not expecting to make fortunes from the deal. "Some people have the idea that we are interested in nothing but money. This has hurt," Carling said.

The package involves a number of worthy schemes like a rugby camp for young players in west London, work with schools and coaching clinics.

Throughout the package, the emphasis is on promoting the game through individual star players and not the other way round. "It is all far more than any individual," Moore said. "This is what the team wants to do. The product is the game."

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Downcast Davis avoids watching a winning break by Parrott

Davis opens the way for Parrott revenge

By STEVE ACTESON

OF THE four Embassy world championship semi-finalists only Steve Davis has won the title, six times. After the second session of both best of 31 frames matches yesterday, however, Davis, the second seed, was looking the least likely candidate to triumph this year. He was 10-4 behind against the fourth ranked John Parrott at the Crucible Theatre, Sheffield.

Steve James, the world No. 9 and conqueror of the defending champion, Stephen Hendry, was looking equally troubled against the fourth seed, Jimmy White, when he fell 8-3 into deficit. But James has remarkable powers of recovery and by winning three of the next four frames he put himself back into contention, even though still 9-4 down.

Last night Parrott needed six frames out of the game to defeat Davis with an entire session to spare and gain ample revenge for his 18-3 defeat

by Davis in the 1989 final. White looked unstoppable at the start of yesterday's play as his clash with James continued at breakneck speed. Leading 5-3 on Thursday night, White took the opening two frames with breaks of 53 and 64 while allowing James a total of only eight points. When James made 32 in the next frame, but then missed a red into the top left-hand pocket, White made 63 before adding a clearance of 30 for good measure.

But White's aura of invincibility was illusory. Although he continued to hold the whip hand in frame 12 he then left the last red over the jaws of the centre pocket and James gratefully cleared to black.

He celebrated with two magnificent century breaks in the next three frames. In frame 13 he made 102 and in frame 15 he rattled in 106 but missed the last red to let slip the chance of overtaking White's high break mark of

140 by a single point. In between, White had won a complicated 14th frame with a brown to black clearance after snookering James on the brown. James escaped but left the brown on.

Parrott was 5-2 up overnight and Davis missed the chance to win the first frame on the resumption when he went in-off the blue. Parrott then cleared to pink. Davis also led in the second frame but once again the blue ball proved his downfall when he missed it into a middle pocket for James to clear this time to black.

Parrott continued his run with breaks of 46 and 122 and although Davis won the next two frames Parrott easily won the last frame of the session to be six frames ahead.

RESULTS: Semi-finals: J. Parrott (Eng) leads S. Davis (Eng), 10-4. Frame scores: Davis 65-11, 51-85, 52-40, 5-101, 82-4, 48-5, 50-25, 47-8, 2-122, 70-32, 35-4, 15-122, 4 White (Eng) leads S. James (Eng), 9-4. Frame scores: James 52-15, 82-25, 61-48, 54-4, 28, 52-67, 5-77, 71-1, 82-8, 80-4, 33-32, 55-5, 3-114 (102), 70-65, 0-108 (100).

Graham out to play down the pressure

By CLIVE WHITE

NOT that one could expect Arsenal to agree, but perhaps congratulations are in order, after all, to the "handicappers" at the Football Association for unwittingly creating a more exciting climax to this season's championship race than at one time seemed likely.

Those who believe in level weights for all were less inclined to commend the FA back in November, when it docked Arsenal two points for their part in the Old Trafford fire-for-all and put the London club at a seemingly crippling eight-point disadvantage to the champions.

Arsenal's recovery has been so complete that had it not been for their penalty they would be cantering towards the kind of inevitable victory more readily associated with Liverpool. Instead, a two-match winning start by Graeme Souness as manager at Liverpool has again weighed Arsenal down, this time with pressure.

As a further burden, they face a Sunderland side playing for its first-division life today, in front of a passionately committed Roker Park audience with millions of television critics ready to pass instant judgment upon the would-be champions.

But if Arsenal can withstand all of that and still come out on top, and Liverpool lose to Chelsea in a game starting some two hours earlier, at Stamford Bridge, then the championship trophy will, deservedly, be Highbury-bound for the second time in three years, barring a mathematical improbability.

George Graham, the Arsenal manager, is understandably concerned about the pressure a Liverpool victory might create, particularly for the younger members of his side, such as Kevin Campbell and David Hillier.

"Players are creatures of habit and I would prefer our

FIRST DIVISION

	P	W	D	L	F	A	Pts
*Arsenal	35	22	12	7	3	36	16
Liverpool	35	17	6	7	2	34	24
C Palace	35	18	9	9	9	41	5
Man City	35	16	11	9	8	51	6
Leeds Utd	35	17	7	11	5	35	40
*Man Utd	35	14	17	11	8	38	5
Wimbledon	35	16	11	11	12	39	45
North Forest	35	14	12	11	12	39	45
Sheff Wed	35	11	14	14	11	43	51
QPR	35	12	9	9	15	52	65
Chelsea	35	12	9	15	5	52	65
Everton	35	11	11	13	5	45	43
Southampton	35	11	6	16	15	52	42
Coventry	35	11	10	15	11	41	40
Sheff Utd	35	10	15	11	3	38	43
Notwich	35	10	15	11	3	38	43
Aston Villa	35	8	13	14	10	50	33
Luton	35	9	7	20	4	40	33
Sunderland	35	8	9	19	35	57	33
Derby Co	35	8	9	19	35	57	33